

DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2016

WEDNESDAY, MARCH 4, 2015

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:00 a.m., in room SD-124, Dirksen Senate Office Building, Hon. Lisa Murkowski (chairwoman) presiding.

Present: Senators Murkowski, Cochran, Blunt, Daines, Cassidy, Udall, Feinstein, Leahy, Reed, Tester, Merkley.

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

STATEMENT OF HON. SALLY JEWELL, SECRETARY

ACCOMPANIED BY HON. MIKE CONNOR, DEPUTY SECRETARY

OPENING STATEMENT OF SENATOR LISA MURKOWSKI

Senator MURKOWSKI. Good morning. I would like to welcome everyone to the first hearing of our Interior Appropriations Subcommittee.

A special welcome to our new members on the committee. We have Senator McConnell who has joined us. Senators Daines and Cassidy are new to the committee. I think on the other side, everybody is pretty much an old hand at this, so thank you for being with us this morning.

Before we start with our witnesses, Secretary Jewell and Deputy Secretary Connor, I want to begin with just a couple of house-keeping matters for us. I intend to follow the early bird rule here in the committee for recognizing members for questions. I will call on members in the order in which you have arrived. We will go back and forth between the Majority and the Minority.

My proposal is to do six minute rounds. I figure that is an appropriate time to have a good dialogue with the witnesses. My expectation is we will do two, hopefully three rounds, but really trying to accommodate everyone so that they have a fair opportunity to address the issues that they wish to raise.

I also want to acknowledge Senator Reed for his excellent leadership on this subcommittee for the past couple of years. I am very pleased that you are staying with us on the committee, Senator

Reed, but I have appreciated how you and I have been able to work on the committee under your leadership, and I thank you for that.

I would like to recognize and welcome Tom Udall, our new ranking member on the committee. We have already had an opportunity to meet and talk about some of the priorities and issues that we share.

Senator Udall shared with me that he has already climbed the tallest mountain in our State. My hope is—you and I call it “Denali”—that we can actually make that permanent. I have a bill I will talk to you about later. I thank you for your engagement and your work as we move forward with the committee.

Finally, before turning to the Department of the Interior’s budget, I think it is important for all of our members and the public to hear from me as the subcommittee chairman that we will be marking up an Interior bill this year. We are going to do it. It has been 5 years since that has happened. I feel pretty strongly that we need to get back to regular order.

I think we appreciate that within this particular subcommittee we have some issues under our jurisdiction that are perhaps are a little more thorny than in some of the other committees, but that should not keep us from advancing to a markup.

I think it is our job to take up the tough issues and work together to produce legislation that reflects the collective will of the members, and I intend to do just that, working with Senator Udall here.

BUDGET REQUEST

Turning to the budget request for the Department, and again, Secretary Jewell, thank you, Deputy Secretary Connor, thank you for being here. The budget request is \$12.1 billion for programs within this subcommittee’s jurisdiction. This includes \$200 million for a proposal similar to last year, which allows certain firefighting costs to be appropriated as disaster funds. The budget request is almost \$1.4 billion above the current year spending levels.

Secretary, I noted when you were before the Energy Committee last week that the request violates the Budget Control Act. It ignores those statutory caps that are imposed by the BCA, and proposes new spending as if we had already moved to lift sequestration.

As I mentioned in that committee, and I will repeat here, I do think that demonstrates wishful thinking and not the governance we need with this budget.

Putting aside the discretionary spending request, there are other proposals in your budget to establish new mandatory spending totaling \$2 billion. The request includes \$500 million for the LWCF program in 2016, and \$500 million per year for 3 years in the new mandatory spending for the Park Service Centennial.

Unfortunately, there are no specific offsets for these spending increases.

Somewhat stunningly to me, when oil prices have fallen dramatically, the Department indicates that it will propose a host of new fees and royalty rate increases on energy producers that will exceed \$2.5 billion. Energy producers are already fleeing our public lands because of regulatory headaches and permitting delays. I am

looking at this and saying I do not see how making it more expensive and difficult to do business on public lands is good, sound policy, or good for the U.S. Treasury.

I think you noted yourself, Secretary, at the Energy hearing, you said it is hard to do business on our Federal lands. We need to do better. We must do better.

There are certainly some things in this budget that I can support. We have the addressing of the backlog of maintenance in our national parks. That is something that I hope we can agree should be a priority for us. Also, fully funding contract support costs for our Native Americans.

The concern that I have with the budget in front of us is that in many cases, it avoids the tough choices that must be made between programs in the constrained fiscal environment in which we are operating.

In all likelihood, we will have roughly the same amount to spend this year as we did last year under the budget caps, and yet we have a budget, a proposed budget, that is \$1.4 billion above that level.

This committee is forced to make some very difficult choices in how to prioritize among the many programs within the bill, and unfortunately, the budget does not help by giving us guidance as to the programs that the administration sees as its priorities.

Madam Secretary, when you appeared before the Energy Committee last week, I raised with you a number of recent actions that the administration has taken of late that either has or has the potential to do enormous damage to my State.

I mentioned the withdrawal of over 22 million more acres of Alaska from energy production. This has occurred on top of many other restrictions and regulations being imposed on us. These withdrawals have occurred despite the tremendous energy potential in those areas, despite the pressing need to refill our pipeline, and despite extreme opposition from most Alaskans.

Finally, I mentioned at the hearing in Energy that beyond energy, we still have the issue of King Cove that is yet unresolved. Last Monday marked 14 long months since the rejection of the necessary life saving, again, ten mile, one lane gravel non-commercial use road, and yet there is nothing in the budget to help those whose lives are needlessly in danger.

I was informed this morning that since the Energy hearing last week, there have been yet two more Medivac's out of King Cove, until the time we are here this morning. One was a Coast Guard Medivac, the other private.

I mention to my colleagues here at the committee these issues again so that you are aware that these are priorities not just for me but priorities for Americans that live in perhaps some very unique and different situations. I intend to do what I can to address and correct what I see are clear deficiencies and failures there.

Again, my thanks to the Secretary and appreciate the time you will give us this morning. We do have votes, two votes, that are beginning at 11:30. We will try to move quickly through it.

I want to recognize my ranking member, Senator Udall, for his comments at this time.

STATEMENT OF SENATOR TOM UDALL

Senator UDALL. Thank you, Chairwoman Murkowski, and good morning and also welcome to the new members, Senators Cassidy and Daines.

Since this is my first hearing as ranking member of the Interior Appropriations Subcommittee, let me begin by saying how honored I am to serve in this position. The Interior Appropriations bill, I believe, is an essential tool to protect our Nation's rich, natural and cultural resources. It is our way to honor our commitment to American Indians and Alaskan Natives.

The programs funded by this bill are also incredibly important to New Mexico, and I look forward to using this position to ensure that our remarkable natural resources are protected and managed responsibly.

Let me also say how pleased I am to serve under the leadership of my new chairman, Senator Murkowski. There will be times when the Senator from Alaska and I will have to disagree, but I know there are many areas of common interests where we can work together. We have had some very good productive visits and I look forward to many more.

Madam Chairman, I can say without hesitation, I look forward to working with you as we move through the appropriations process this year, and I think it is a very good move that you say we are going to do a markup. I think that is a healthy part of the appropriations process, and I think we need to move our bills.

I also want to take a moment to thank our immediate past chairman, Senator Jack Reed. Over the last 4 years, Senator Reed worked very hard and in the face of some very difficult political issues to pass Interior bills that protected major environmental laws, and he supported critical conservation priorities. He had tremendous success, and I would like to thank him for his leadership.

Turning to the budget request, I am pleased to welcome Secretary Jewell and Deputy Secretary Connor before the subcommittee. I look forward to working more closely with both of you. You have given us a lot to discuss this morning.

This request clearly demonstrates the investments that we can make if Congress and the President work together to end sequestration and revisit the spending limits in the Budget Control Act.

Secretary Jewell, you proposed to increase the budget for the Department in fiscal year 2016 by 11 percent. That is more than \$1 billion in new spending for the programs in your Department, and it is, I must say, a bold vision.

Your budget includes a 17 percent increase to help the National Park Service to prepare for its 2016 Centennial. It also includes new funding to manage other public lands, fund energy development activities, and address climate change.

I want to thank you for your commitment to Tribal programs and for requesting a large increase for Indian education. That funding is long overdue.

I am also glad to see that your request again proposes to reform the Federal Wildland Firefighting budget by authorizing a new disaster cap adjustment to pay for the costs of the most catastrophic wildfires.

I also want to applaud you and the President for making a strong statement on the Land and Water Conservation Fund. In your request, LWCF just celebrated, as you know, its 50th anniversary, and it is up for reauthorization. Your support has never been more important or more timely.

I especially appreciate the increases for New Mexico priorities, including land acquisition, construction projects, Indian land and water claim settlements, as well as funding to support the newest national parks and monuments in our State.

As good as this budget request is, however, it is important to remember it is just a proposal. Until the law is changed, Congress has to live with the spending limits set by the Budget Control Act. That means non-defense discretionary programs like those in this budget request are facing a freeze in fiscal year 2016. A freeze does not even cover the costs of basic fixed cost increases, let alone the new investments in this budget.

In other words, many of the things in this budget will never happen if we do not end sequestration. We all need to ask ourselves, how is this Congress going to get serious about supporting important discretionary programs like these?

I want to commend Secretary Jewell for giving us an excellent place to start that conversation, and thank you very much, both you and Deputy Secretary Connor, for being with us. Thank you, Madam Chair.

Senator MURKOWSKI. Thank you, Senator Udall. I know that Senator Cochran has another Appropriations hearing that he has to go to, and I want to give you the courtesy of making a statement before you leave, before we turn to the Secretary.

STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. Thank you, Madam Chair. I appreciate the recognition, but I am not going to take time away from the other Senators who have already been here and are awaiting their turn.

I want to ask unanimous consent that my statement be printed in the record.

I join you in welcoming the distinguished Secretary to our hearing and I am looking forward to working with her and the officials at her Department to see that the intent and specific authorization and appropriations language is respected as we go through this next fiscal year.

We appreciate the cooperation that we received in special attention to the Mississippi Band of Choctaw Indians located in our State on Reservation lands and elsewhere. They are a very important part of our State's economy and attraction as a tourist destination, and also part of the living history that our State has contributed to our country.

I also want to support especially the Gulf of Mexico energy security legislation allowing Gulf States to receive specific portions of the revenues derived from offshore leases and production of oil and gas in the Eastern Gulf of Mexico, and the attention of the committee to assuring this is appreciated.

I ask unanimous consent that the balance of my remarks and my statement be printed in the record.

Senator MURKOWSKI. Senator Cochran, your full opening statement will be included as part of the record.

[CLERK'S NOTE: Senator Cochran did not submit additional remarks for the record.]

Senator MURKOWSKI. If any other members have any statements they would like to have incorporated, they will be as well.

[CLERK'S NOTE: Members did not submit any additional statements.]

Senator MURKOWSKI. With that, I would like to turn to the Secretary, recognizing that we probably have a lot of questions and a limited amount of time here this morning. With that, welcome to the committee, Secretary Jewell.

SUMMARY STATEMENT OF HON. SALLY JEWELL

Secretary JEWELL. Thank you. Good morning, Chairman Murkowski, Ranking Member Udall, Chairman Cochran, and members of the subcommittee. Thanks for the opportunity to testify today on the Department of the Interior's fiscal year 2016 budget request.

I want to thank you for the collaborative working relationship we have with the subcommittee and acknowledge and thank Leif, Rachel, and the subcommittee staff for the hard work they do on the budget.

Joining me today is Deputy Secretary Mike Connor.

I submitted a detailed statement for the record, so I will be brief in these opening remarks.

BUDGET REQUEST

This is a forward looking budget providing targeted investments to grow our domestic energy portfolio, creating jobs here at home, building community resilience, and revitalizing our national parks as they approach their 100th anniversary.

Our budget invests in science to help us understand natural resources on a landscape level and to apply that understanding to better manage America's assets for the long term.

Importantly, the budget also helps fulfill our Nation's commitments to American Indians and Alaskan Natives, including significant and much needed investment to help improve education for Indian children.

LAND AND WATER CONSERVATION FUND

I want to emphasize our investments in our national parks and public lands, places special to our Nation but which also boost local economies. On the 50th anniversary of the Land and Water Conservation Fund Act, the budget proposes full funding of \$900 million annually for LWCF programs. This is dollar for dollar one of the most effective Government programs that we have.

NATIONAL PARK SERVICE CENTENNIAL

Next year will mark another important milestone in our Nation's history. The National Park Service will celebrate its 100th anniversary, and this budget makes investments to launch a historic effort to celebrate and revitalize national parks and public lands.

The discretionary and mandatory portions of the budget include a \$150 million matching fund to leverage private donations to parks, and \$859 million to provide critical maintenance investments in high priority assets. Additional funding of \$43 million will provide staff to improve the visitor experience and support the expected influx of visitors during and after the Centennial.

CIVIL RIGHTS

We will also commemorate this year the 50th anniversary of the Voting Rights Act. The budget proposes \$50 million to restore and highlight key sites that tell the story of the struggle for civil rights, such as the Selma to Montgomery National Historic Trail, and the Martin Luther King, Jr. National Historic Site.

One of my top priorities is connecting young people to the great outdoors and our rich history and culture. We need to inspire and engage the next generation to be scientists, engineers, and stewards of our Nation's most prized assets, particularly as 40 percent of the Department's workforce will be eligible to retire very soon.

YOUTH

This budget proposes over \$107 million for Interior's youth programs, to provide opportunities for our Nation's young people to play, to learn, to serve, and to work on public lands. We will accomplish this through partnerships with youth conservation corps, schools, organizations like the YMCA and the National League of Cities, and private businesses.

INDIAN AFFAIRS

Next, I want to highlight the administration's continued commitment to Tribal self determination and strengthening Tribal communities. I recently visited Arizona to launch the administration's Native American Youth Listening Tour, to give young people in Indian country the opportunity to engage with Cabinet members directly about the challenges they face.

My recent trip to the Arctic also included meeting with youth leaders in Kotzebue who are helping their classmates cope with personal challenges.

Across the Federal family, agencies are committed to working together to better coordinate our services to more effectively serve American Indians and Alaskan Natives.

This budget holds the promise for a brighter future for Indian youth through education, for Native American communities through economic growth and social services, and for improving the stewardship of Trust resources.

We are requesting \$2.9 billion for Indian Affairs, an increase of 12 percent, which includes full funding of contract support costs that Tribes incur as they deliver services for Tribal members.

The Generation Indigenous Initiative includes an \$1 billion investment in Indian education to support a comprehensive transformation of the Bureau of Indian Education to better serve and support Tribes in educating their youth.

ENERGY

When it comes to powering our Nation, the budget continues to invest in both renewable and conventional energy, so we can diversify our domestic energy portfolio, cut carbon pollution, and reduce our dependence on foreign oil. The budget includes \$100 million for renewable energy activities, helping us fast track projects like the SunZia Project in New Mexico. We also propose a total of \$658 million for conventional energy programs.

SCIENCE

This budget invests in science and technology initiatives to support energy development, to create economic opportunities, to help communities build resilience.

The budget includes \$1.1 billion for research and development activities that range from scientific observations of the earth to applied research to better address problems such as invasive species and coastal erosion.

COASTAL RESILIENCE

I recently visited Kivalina, a village on the Northwest Coast of Alaska where I heard directly from residents about their concern for their personal safety as encroaching storms threaten to wash away their village.

The budget includes a total of \$147 million to fund projects to help coastal communities. Tribes, Insular areas and land management bureaus use this science and technology to strengthen community and ecosystem resilience.

WATER

Finally, I want to touch on water and fire. Western States are on the front lines of dealing with both drought and catastrophic wildfires. The budget includes \$1.1 billion for the Bureau of Reclamation to support water availability projects, Indian water rights settlements, ecosystem restoration, healthy watersheds, sustainable secure water supplies, and the WaterSMART program, to address drought and other water supply issues across the West.

WILDLAND FIRE

This budget also renews the call for a new funding framework for wildfire suppression, similar to how the costs for other natural disasters are met. The initiative proposes base level funding of 70 percent of the 10 year average for suppression costs within the discretionary budget, and an additional \$200 million available in the event of the most severe fire activity, which comprises only 1 percent of the fires but 30 percent of the costs.

This is a common sense proposal that would help ensure that USDA and the Interior do not have to rob our budgets for fire prevention in order to fight the Nation's most catastrophic fires.

In closing, this is a smart and balanced budget that enables the Department to carry out these important missions. I look forward to discussing these issues and many other important investments proposed in this budget with you during your questions. Thank you.

[The statement follows:]

PREPARED STATEMENT OF HON. SALLY JEWELL

Ms. Chairman, Ranking Member Udall, and members of the subcommittee, I am pleased to present the 2016 President's budget for the Department of the Interior.

This is a forward-looking budget that invests in Interior's key missions so we can continue to serve the American people. This budget provides investments to grow our domestic energy portfolio, to revitalize our national parks as they approach their 100th anniversary and celebrate all of our public lands, and to strengthen science and management across all bureaus. The budget also helps fulfill our Nation's commitments to American Indians and Alaska Natives, including a significant and much-needed investment to help improve education for Indian children.

Interior's programs and activities serve as economic engines in communities across the Nation, contributing an estimated \$360 billion to the Nation's economy in 2013 and supporting more than 2 million American jobs. Of this total, energy and mineral development on Interior-managed lands and offshore areas generated more than \$237 billion of this economic activity and supported 1.1 million jobs. An estimated 407 million recreational visits to Interior lands—including national parks, wildlife refuges and public lands—contributed \$41 billion and supported nearly 355,000 jobs nationwide. Water supply, grazing and timber activities, primarily on public lands in the West, contributed nearly \$63 billion and supported more than 400,000 jobs. In 2016, the Department will generate an estimated \$13.8 billion in Federal receipts; these funds are deposited in the Treasury and serve to offset the cost of general government services, support a range of specific Federal programs, and support State and local governments through various revenue sharing arrangements.

2016 BUDGET

The 2016 budget proposal is \$13.2 billion, an increase of 8 percent, over the 2015 enacted level. This total includes a proposed \$200 million budget cap adjustment to ensure critical funds are available in the event of a catastrophic fire without requiring harmful transfers from other Interior programs that support land management and operations. It includes \$11.9 billion for Interior programs funded by the Interior, Environment, and Related Agencies appropriation, and \$1.1 billion for Interior's Bureau of Reclamation and the Central Utah Project Completion Act, funded in the Energy and Water Development Appropriations Act. The budget would generate \$5.6 billion in savings over 10 years through legislative reform proposals, including oil and gas management reforms to encourage diligent development of Federal energy resources while providing a fair return to taxpayers from royalty and other reforms.

The 2016 budget enables the Department to carry out its important mission by maintaining core capabilities and proposing investments in key priorities. This budget lays the groundwork for the future while meeting current commitments. The programs in this request emphasize partnerships, public engagement in Interior's places and programs, comprehensive upfront resource planning, tribal self-determination and self-governance, and increased scientific understanding leveraged with advanced tools and open access to data.

Importantly, the President's budget proposes to end sequestration, fully reversing it for domestic priorities in 2016, matched by equal dollar increases for defense funding. The last time sequestration was in full effect, the Congressional Budget Office estimated it reduced the gross domestic product by 0.6 percentage points and cost 750,000 jobs. But beyond the economic impacts, these across-the-board cuts also had severe programmatic impacts. At the Department of the Interior, sequestration required cuts to the Payments in Lieu of Taxes (PILT) program and mineral payments to States, slowed down permitting of energy projects because of cuts to operation budgets, and further added to the deferred maintenance backlog at national parks and on other public lands. All of these cuts impact local economies.

PRESERVING AND PROTECTING AMERICA'S NATURAL AND CULTURAL RESOURCES

The budget launches the National Parks Centennial to celebrate and revitalize national parks and public lands, and connect a new generation to the great outdoors. The budget includes funding in 2016 to allow the National Park Service to make targeted, measurable upgrades over the next 10 years to all of its highest priority, non-transportation assets, restoring and maintaining them in good condition. The budget also proposes \$150 million in discretionary and mandatory funding for a Centennial Challenge matching program to leverage private donations to parks,

and \$100 million in mandatory funding for a Public Lands Centennial Fund that competitively awards funds to Federal land management agencies for signature projects and programs. The budget includes complementary initiatives in the Bureau of Land Management and the Fish and Wildlife Service to engage the American public with Interior's broad range of outdoor recreation and natural learning opportunities.

To mark the 50th anniversary of the Voting Rights Act, the 2016 budget proposes \$50 million to restore and highlight key sites across the country that tell the story of the struggle for civil rights. State, local and tribal governments may also apply for grants to document and preserve stories and other sites related to the Civil Rights Movement.

On the 50th anniversary of the Land and Water Conservation Fund (LWCF) Act, the budget requests Congress to support full funding for LWCF programs. The innovative, highly successful program reinvests royalties from offshore oil and gas activities into public lands, enabling access for sportsmen and hunters, protecting historic battlefields and providing grants to States for recreation and conservation projects. In 2016, the budget proposes a total of \$400 million in discretionary funding and \$500 million in mandatory funding for LWCF programs. From Maine to Kansas and up to Washington and Alaska, the fiscal year 2016 request includes 105 projects in 39 States. The budget also includes a legislative proposal to provide full mandatory funding for LWCF starting in 2017.

The budget continues efforts to manage and promote the sustainability and resilience of ecosystems on a landscape scale, such as the California Bay-Delta, the Everglades, the Great Lakes, Chesapeake Bay, and the Gulf Coast. To protect and restore the American West's vast sage steppe landscape which supports abundant wildlife and significant economic activity, including recreation, ranching and energy development, the budget proposes an investment of \$78.1 million.

Interior spends over \$140 million in current funding within the Arctic for activities that include science, energy, Indian Affairs and land management. As the United States assumes the 2-year Chairmanship of the Arctic Council in April, we recognize this is an important opportunity to work with all eight Arctic countries to address the impacts of rapid climate change in the region, improve economic and living conditions of the people who live there, and enhance Arctic Ocean safety, security, and stewardship. Interior bureaus will play a significant role in these activities, which provide an important opportunity to build the resilience of Arctic communities and the ecosystems upon which they depend.

STRENGTHENING COMMUNITY RESILIENCE IN A CHANGING CLIMATE

The budget includes increases to strengthen the resilience of communities—including tribes and insular areas—and ecosystems to climate impacts, such as increased flooding and drought. The budget builds on the success of the Department of Interior's (DOI) Hurricane Sandy Coastal Resilience Grant Program, proposing a competitive grant program that would restore natural coastal systems to help reduce flood, storm, and sea level rise risks. To complement that program, the budget proposes an increase of \$30 million for the Challenge Cost-Share program, to be split evenly across the Bureau of Land Management (BLM), U.S. Fish and Wildlife Service (FWS), and National Park Service (NPS). The bureaus will prioritize projects to conserve and restore landscapes and resources vulnerable to change. Project funding will be leveraged with non-Federal investments to build resilience to inland threats such as drought, flooding, and wildfire. Proposed investments in the Bureau of Indian Affairs (BIA), FWS and the U.S. Geological Survey (USGS) specifically address the changing Arctic landscape and offer support to Alaska Native villages and other critically vulnerable communities in evaluating options for the long-term resilience of their communities. For example, the FWS is developing a demonstration project to enhance involvement of local people and subsistence users in the decisionmaking process for resource management on Federal lands. Through a pilot effort based at the Yukon National Wildlife Refuge, FWS and Native Alaskans are developing a draft fisheries cooperative management proposal to improve subsistence uses as the Kuskokwim River drainage changes. An additional \$7.0 million is also provided for insular areas to address needs related to sea level rise.

Tribes and other communities throughout the U.S. are already experiencing drought, intensifying wildfires, changes in plants and animals important to subsistence and cultural practices, impacts to treaty and trust resources, and coastal erosion and sea level rise. The budget provides a total of \$50.4 million, a \$40.4 million increase over 2015, across nine BIA trust resource programs to support tribal communities in preparing for and responding to the impacts of climate change. Funds

will provide support for tribes and Alaska Native villages to develop and access science, tools, training, and planning for building resilience.

The budget renews the call for a new funding framework for wildland fire suppression, similar to how the costs for other natural disasters are met. The initiative proposes base level funding of 70 percent of the 10-year average for suppression costs within the discretionary budget and an additional \$200 million available in the event of the most severe fire activity, which comprises only 1 percent of the fires but 30 percent of the costs. Wildland fire continues to be one of our most important land management challenges. In January, I issued Secretarial Order 3336 that recognizes the critical importance of fire in protecting, conserving, and restoring the health of the sagebrush-steppe ecosystem on which rural economies, wildlife—including the sage-grouse—and a way of life depend. Shortly, we will release our strategy for the 2015 fire season, to be followed by a long-term strategy for addressing rangeland fire prevention, management, and restoration. On a broader scale, the Department is firmly committed to the National Wildland Fire Cohesive Strategy and the three goals of restoring and maintaining fire-resilient landscapes, creating fire adapted communities, and safe and effective operations. In support of those goals, the budget reflects an integrated approach to wildland fire management, including \$30.0 million for a Resilient Landscapes program to create landscapes that are resilient to wildfire through long-term, landscape scale, place-based projects. Resilient Landscape program projects will be accomplished through collaborative partnerships that include non-fire bureau resources and land management programs along with other Federal, tribal, State and non-governmental partners. The budget continues to include funding for the Fuels Management program to improve the integrity and resilience of forests and rangelands, contribute to community adaptation to fire, and improve our ability to safely and appropriately respond to wildfires.

As part of the Bureau of Reclamation's proposed \$1.1 billion budget for fiscal year 2016, the WaterSMART program would receive \$58.1 million to support water conservation initiatives and technological breakthroughs that promote water reuse, recycling and conservation, in partnership with States, tribes, and other partners. Reclamation will continue strong partnerships with local water and conservation managers to conduct ongoing comprehensive water studies of river basins in Arizona, California, Colorado, Montana, Oklahoma and Oregon. In 2015 and 2016, the budget supports one or two new basin studies in the western U.S and one new West-wide climate risk impact assessment. In addition, Reclamation anticipates funding 40 new WaterSMART Grant projects that will contribute to water conservation. As part of WaterSMART, the USGS would receive \$31.0 million to continue to advance the National Water Census to create a more accurate picture of the quality and quantity of the Nation's water resources. The USGS will support focus area studies in the Apalachicola-Chattahoochee-Flint Basin, the Colorado River Basin and the Delaware River Basin.

POWERING THE FUTURE THROUGH BALANCED ENERGY DEVELOPMENT

To enhance national energy security and create jobs in new industries, the budget invests in renewable energy development programs, providing about \$100 million to review and permit renewable energy projects on public lands and offshore waters.

In order to address the continuing legacy of abandoned mine lands on the health, safety, environment and economic opportunity of communities, the budget makes available to States and tribes \$1 billion, over 5 years, as part of the President's POWER+ Plan. Funding would come by accelerating payments from the unappropriated balances in the Abandoned Mine Land (AML) Reclamation Fund, administered by the Department of the Interior's Office of Surface Mining Reclamation and Enforcement. The budget also includes reforms to strengthen the healthcare and pension plans that provide for the health and retirement security of retired coal miners and their families.

The budget invests in onshore energy permitting and oversight on Federal lands, with the BLM's oil and gas program receiving a 20 percent increase in funding, compared to the 2015 enacted level. The National Defense Authorization Act included an important authority that allows the BLM to implement increased fees for Applications for Permit to Drill to provide the funding needed to quickly and efficiently process APDs. To further improve responsiveness to industry demand and workload, the 2016 budget proposes a new fee system to meet program needs on the back end through inspections. A strong inspection program fully funded through fees, estimated to be \$48 million, will provide assurance BLM would not have to divert funds from processing permits or leasing activities in the event that appropriations for inspections did not keep pace with the workload associated with this critical responsibility. The inspection fee authority proposed for BLM is comparable to that already

in place for offshore inspections. Coupled with the transition to the implementation of a new automated permitting system that eliminates paper applications, these budget resources will significantly strengthen the BLM's program management capacity.

The budget request would fund Interior agencies overseeing oil and gas development on the Outer Continental Shelf as follows: \$170.9 million for the Bureau of Ocean Energy Management; and \$204.7 million for the Bureau of Safety and Environmental Enforcement. The President's proposal also supports continued reforms to strengthen oversight of industry operations following the 2010 *Deepwater Horizon* oil spill, with an additional emphasis on risk management.

SUPPORTING TRIBAL SOVEREIGNTY AND NATIVE YOUTH

The budget maintains the administration's strong commitment to tribal self-determination and strengthening tribal communities. It provides increases across Federal programs that serve tribes, including a proposed 12 percent increase over the 2015 enacted level for the Bureau of Indian Affairs (BIA) and the Bureau of Indian Education. The budget includes a \$26 million increase to fully fund Contract Support Costs that tribes incur from managing Federal programs, and a legislative proposal to reclassify Contract Support Costs as mandatory funding in 2017 in support of self-determination. The budget also capitalizes on the role of BIA as a broad ranging provider of Federal services by proposing to create a one-stop shop approach for facilitating tribal access to Federal programs across the U.S. Government. A total of \$244.5 million is requested to resolve Indian water rights claims and implement enacted settlement commitments—supporting sustainable water sharing and management, and providing critical infrastructure, jobs, and clean drinking water to some of the most impoverished communities in the Nation.

The President's budget supports a new and integrated approach to addressing barriers to success for Native youth. The Generation Indigenous, or Gen-I, initiative takes a comprehensive approach to help improve the lives of and opportunities for Native youth. Gen-I includes a \$1 billion investment in Indian education to support a comprehensive transformation of the Bureau of Indian Education (BIE). This multi-year process will transform the BIE into an organization that serves as a capacity builder and service provider to support tribes in educating their youth and deliver a world-class and culturally appropriate education across Indian Country.

ENGAGING THE NEXT GENERATION

The future of the Country's natural, cultural, and historic heritage depends on the next generation of active stewards. Interior's unique assets provide an unparalleled opportunity to connect the next generation to the great outdoors and the Nation's rich history. Building on the President's vision for the creation of the 21st Century Conservation Service Corps and implementation of My Brother's Keeper, I launched a youth initiative to inspire millions of young people to play, learn, serve and work outdoors. There is a growing disconnect between young people and the great outdoors and it is a gap Interior can help bridge through public-private partnerships coordinated with all levels of government. Interior is expanding efforts to pass on our Nation's rich conservation legacy and to inspire millions of young people to play, learn, serve and work outdoors.

The budget includes \$107.2 million for youth programs across the Department, a \$45.5 million increase from the 2015 enacted level. Within this increase, \$20.0 million is provided to NPS for youth activities, including bringing one million elementary school children from low-income areas to national parks. This increase will also fund dedicated youth coordinators to help enrich children and families' learning experiences at parks and online.

Our goal is to reach 10 million children through recreation programs, an additional 10 million children through environmental education programs, one million volunteers caring for our lands, and 100,000 young adults and veterans working on public lands. To do this, we need to engage the private sector and create more public-private partnerships. I have a personal goal to raise \$20 million for this endeavor and am happy to say we have received support from strong, enlightened companies like American Eagle Outfitters, Coca-Cola, CamelBak and The North Face. We can't do this alone, and we are actively involving partners from the private and nonprofit sectors to join us in creating a movement that helps prepare the next generation of stewards, policy-makers and leaders.

LEGISLATIVE PROPOSALS AND OFFSETTING COLLECTIONS

In 2016, the Department will generate an estimated \$13.8 billion in Federal receipts; these funds are deposited in the Treasury and serve to offset the cost of gen-

eral government services, support a range of specific Federal programs, and support State and local governments through various revenue sharing arrangements. The 2016 budget includes a number of revenue generating proposals estimated to result in savings to the Treasury of \$5.6 billion over 10 years.

Studies by the Government Accountability Office and Interior's Inspector General found taxpayers could earn a better return from DOI's oil and gas management programs through policy changes and more rigorous oversight. The budget proposes a package of legislative reforms to bolster administrative actions focused on advancing royalty reforms, encouraging diligent development of oil and gas leases, and improving revenue collection processes.

The administration is also committed to ensuring American taxpayers receive a fair return from the sale of public resources and benefit from the development of offshore energy resources owned by all Americans. The budget proposes the Interior Department work with Congress to redirect the distribution of expanded revenue payments under the 2006 Gulf of Mexico Energy Security Act. These payments, allocated to just four States in the Gulf of Mexico, are expected to increase significantly starting in 2018. Under the administration's proposal, funds will instead be directed to programs that offer broader natural resource, watershed, and conservation benefits for the entire Nation, help the Federal Government fulfill its role of being a good neighbor to local communities, and support other national priorities.

The budget includes a number of other legislative proposals, including full mandatory funding for the Land and Water Conservation Fund starting in 2017, full mandatory funding for Contract Support Costs starting in 2017, 3 years of mandatory funding for the National Parks and Public Lands Centennial, and a 1 year mandatory funding extension of the Payments in Lieu of Taxes program.

The budget also includes a number of discretionary user fee proposals to offset certain costs to the taxpayer.

BUREAU HIGHLIGHTS

Bureau of Land Management.—The 2016 request is \$1.2 billion, an increase of \$107.6 million from the 2015 enacted level. The 2016 request assumes the use of \$64.5 million in proposed offsetting fees that provide an effective increase of \$172.1 million above 2015. The 2016 request includes \$1.1 billion for the Management of Lands and Resources account, and \$38.0 million in current appropriations for Land Acquisition, including \$4.0 million to improve access to public lands for hunting, fishing, and other recreation. The budget proposes \$107.7 million for Oregon and California Grant Lands, which includes a \$3.2 million decrease in Western Oregon Resource Management Planning, reflecting expected completion of six revised plans in spring 2016.

To advance America's Great Outdoors, the request includes \$19.8 million in program increases for BLM's Recreation Resources Management program, National Conservation Lands, and Cultural Resources Management program. This includes a \$6.6 million increase to accelerate and enhance implementation of BLM's National Recreation Strategy—Connecting with Communities, which will enable BLM to more aggressively develop partnerships with communities and service providers to encourage recreational opportunities on public lands. The funds will also be used for such activities as improving signage and interpretative exhibits and meeting accessibility standards at visitor centers. An increase of \$11.2 million for the National Conservation Lands (also known as the National Landscape Conservation System) will enable BLM to accommodate the increased workload and responsibilities that have accompanied the addition of recently designated units. A \$2.0 million increase in Cultural Resources Management will enhance BLM capacity to preserve and protect the vast treasure of heritage resources on public lands. The budget request also includes \$6.0 million for youth programs, an increase of \$5.0 million from 2015, to put more young Americans to work protecting and restoring public lands and cultural and historical treasures.

The BLM continues to support the President's all-of-the-above energy strategy on public lands, including an initiative with important increases critical to BLM's ability to effectively manage onshore oil and gas development. The 2016 budget request for oil and gas management activities, including the request for direct and fee-funded appropriations and estimated mandatory appropriations, represents an increase of \$29.1 million, or 20 percent, in total program resources over the 2015 enacted level. The additional resources will enhance the bureau's ability to process Applications for Permits to Drill more quickly and efficiently, accelerate the development and completion of master leasing plans in support of BLM's leasing reform efforts, and strengthen its inspection and oversight program. The \$29.1 million total funding increase for BLM's Oil and Gas Management program includes a proposal to in-

stitute a fee system to support the inspection program. The estimated \$48.0 million in collections generated from the inspection fees will reduce the need for direct appropriations for the program by \$41.1 million while also providing for an increase of \$6.9 million above the amount appropriated in 2015 for this critical BLM management responsibility.

The 2016 budget request includes an increase of \$45.0 million, to support the increased workload and commitments required as implementation of the Greater Sage-Grouse conservation plans ramp up. The requested funds support activities that fall into three broad categories which involve both on-the-ground work and establishing the processes and organizational capability to plan and oversee the effort: managing resource uses in Greater Sage-Grouse habitats; restoring and reconnecting Greater Sage-Grouse habitats; and assessing, monitoring, and reporting on conditions in priority habitats.

Other budget highlights include a \$5.0 million program increase in the Resource Management Planning subactivity to expand BLM's Assessment, Inventory, and Monitoring program that will support increased data collection and monitoring needs central to the success of high priority landscape management efforts, such as the Western Solar Energy Plan, the implementation of the plan for the National Petroleum Reserve—Alaska, the Greater Sage-Grouse Conservation Strategy and the Department's broader landscape mitigation strategy. The request also includes an increase of \$7.8 million to accelerate implementation of BLM's enterprise geographic information system, which aggregates data and viewing information across boundaries to capture ecological conditions and trends; natural and human influences; and opportunities for resource conservation, restoration, development, and partnering. The BLM's geospatial proposal is a critical component of Interior's growing enterprise geospatial capabilities and strategy. A \$10.0 million increase in BLM's Challenge Cost Share program will be dedicated to projects that increase the resilience of landscapes in response to changing climate.

A proposed grazing administration fee will enhance BLM's capacity for processing grazing permits. A fee of \$2.50 per animal unit month, estimated to provide \$16.5 million in 2016, is proposed on a pilot basis. This additional revenue, which would be retained by BLM, more than offsets a decrease of \$3.0 million in appropriated funds in Rangeland Management. The net increase of \$13.5 million will allow BLM to expedite permit renewals and reduce the permit backlog.

Bureau of Ocean Energy Management.—The 2016 operating request is \$170.9 million, including \$74.2 million in current appropriations and \$96.6 million in offsetting collections. This is a net increase of \$1.8 million in current appropriations above the 2015 enacted level.

The 2016 budget maintains a strong offshore renewable energy program at slightly above the 2015 level of \$24.3 million for the total program. To date, the Bureau of Ocean Energy Management (BOEM) has issued seven commercial wind energy leases offshore Delaware, Maryland, Massachusetts, Rhode Island, and Virginia. In June 2014, BOEM issued the first outer continental shelf lease for marine hydrokinetic technology testing offshore Florida, and in November 2014, BOEM offered its first transmission right-of-way grant offshore Rhode Island.

Offshore conventional energy programs are funded with an increase of \$10.2 million, bringing total funding to \$59.9 million in 2016. To date, under BOEM's Five-Year OCS Leasing Program for 2012–2017, six sales were held generating over \$2.4 billion in high bids, and two additional lease sales are scheduled during calendar year 2015. The request includes an increase of \$2.5 million for establishing a risk management program, to better protect the Federal Government and taxpayers from financial risks that may arise from unfunded decommissioning costs.

Bureau of Safety and Environmental Enforcement.—The 2016 budget request is \$204.7 million, including \$82.5 million in current appropriations and \$122.2 million in offsetting collections, essentially level with 2015. The request for offsetting collections assumes \$65.0 million from offshore oil and gas inspection fees. The 2016 request allows the Bureau of Safety and Environmental Enforcement (BSEE) to begin to establish a renewable energy inspection program, and continue to strengthen regulatory and oversight capability on the Outer Continental Shelf (OCS), and oil spill response prevention.

The budget includes \$189.8 million for Offshore Safety and Environmental Enforcement. The request includes a program increase of \$1.7 million to establish an Engineering Technology Assessment Center to develop top-level engineering support for BSEE decisionmaking at all levels of the organization. Funding for Oil Spill Research is maintained at the 2015 level of \$14.9 million.

Office of Surface Mining Reclamation and Enforcement.—The 2016 budget request for the Office of Surface Mining Reclamation and Enforcement is \$160.5 million, an increase of \$10.4 million from the 2015 enacted level. The 2016 budget for Regula-

tion and Technology is \$128.4 million, an increase of \$5.7 million above the 2015 level. The request includes \$12.6 million, a program increase of \$3.8 million above the 2015 level, to improve implementation of existing laws and support State and tribal programs. It also includes \$65.5 million for State and tribal regulatory grants. This request fully funds estimated State requirements based on the return each year of an estimated \$3 million in previously appropriated regulatory grant funds by States.

The 2016 budget for the Abandoned Mine Reclamation Fund is \$32.1 million, an increase of \$4.7 million above the 2015 level. The budget includes a \$2.0 million program increase for technical assistance to States, Tribes, and communities on Abandoned Mine Land (AML) site reclamation and area-wide reclamation planning and a \$1.4 million program increase to evaluate AML program implementation, including identifying more effective and efficient tools for AML site identification, contract management, and program oversight. The 2016 budget proposes to distribute an estimated \$926.1 million in mandatory appropriations. This includes \$385.3 million to noncertified States and tribes in reclamation grants and \$540.8 million in payments to the United Mine Workers of America retiree health and pension plans. The administration proposes legislation to revitalize communities impacted by abandoned coal mines, reform current funding of abandoned coal mine land clean-up, increase funding for hardrock abandoned mine land clean-up, and provide for retired coal miners and their families.

U.S. Geological Survey.—The 2016 request is \$1.2 billion, an increase of nearly \$150 million above the 2015 enacted level. The 2016 budget reflects the vital role the USGS plays in advancing the President's commitment to scientific discovery and innovation to support sustainable economic growth, natural resource management, and science-based decisionmaking for critical societal needs. The budget includes funding for science to inform land and resource management decisions, advance a landscape level understanding of ecosystems, and develop new strategies to support communities in responding to climate change, historic drought, water quality issues, and natural hazards. The budget also funds science to support the Nation's energy strategy and to help identify critical mineral resources and address the impacts of energy and mineral development on the environment.

The 2016 budget provides an increase of \$14.6 million above the 2015 enacted level for science to support sustainable water management. The budget provides increased funding to support resource managers in managing competing demands related to water availability and quality and to enable adaptive management of watersheds. This includes a \$3.2 million increase for science to respond to drought, a \$4.0 million increase for water use information and research, a \$2.5 million increase to study ecological water flows, a \$1.3 million increase for streamgages, and a \$1.0 million increase to advance the National Groundwater Monitoring Network.

The 2016 budget provides an increase of \$11.0 million across the energy, minerals and environmental health portfolio for science to support the sustainable development of conventional and unconventional oil and gas resources; renewable energy sources such as geothermal, wind, and solar; critical minerals such as rare earth minerals; and address the environmental impacts of resource development such as uranium. These investments include \$19.5 million, \$5.3 million above 2015, to support an interagency effort with the Department of Energy and the Environmental Protection Agency to better understand the potential impacts of unconventional oil and gas development.

The budget includes a program increase of \$1.0 million for mineral resources science to continue life-cycle analysis for critical minerals such as rare earth elements, and to develop new science and tools to reduce the impacts of minerals extraction, production, and recycling on the environment and human health. A life-cycle analysis will trace the flow of critical minerals from occurrence through interaction with society to ultimate disposal. The increase will support new workforce capability to address the main thrusts of the President's four working groups in the Office of Science and Technology Policy that are currently focused on critical and strategic materials essential to national security, economic vitality, and environmental protection.

The budget provides increases totaling \$6.6 million above the 2015 enacted level for natural hazard science. This includes \$4.9 million to expand the Global Seismic Network used for worldwide earthquake monitoring and tsunami warning and \$1.7 million to support solar flare (space weather geomagnetic) monitoring which is critical to mitigating impacts to the electrical grid and other hazards. The budget supports the installation and operation of rapid-deployable streamgages to help manage flood response activities. The funding will increase volcano, landslide, wildfire, and sinkhole response capabilities as well as build on investments to continue develop-

ment of an earthquake early warning system, with the goal of implementing a limited public warning system for the U.S. west coast by 2018.

The budget includes \$15.6 million to expand and enhance ecosystem science activities to increase the understanding of the Nation's landscapes. Increases totaling \$6.7 million support research in critical landscapes, including \$4.2 million for the Arctic, \$1.0 million to study sage steppe landscapes, and \$1.5 million to support science for Puget Sound, Columbia River and the upper Mississippi River. USGS research will continue to support restoration of other priority ecosystems, such as Chesapeake Bay, Everglades, Great Lakes, California Bay-Delta, and Gulf Coast. Increases totaling \$3.8 million support research on invasive and declining species, including \$2.2 million for invasive plants and animals and \$1.6 million to study the decline of pollinating insects, birds, and mammals. The budget also requests \$5.1 million to support coastal resilience and adaptation to long-term change from sea-level rise and coastal erosion.

The President's budget request includes an increase of \$37.8 million to provide data and tools to help land and resource managers make informed decisions across the landscape and provide data and information to the public for use in a wide variety of applications. The budgets of USGS and the National Aeronautics and Space Administration provide complementary funding to sustain the Landsat data stream, which is critical to understanding global landscapes. Funding in the USGS budget supports the ground system portion of the Sustained Land Imaging Program, including funding for ground systems development for a Thermal Instrument Free Flyer, Landsat 9 (a rebuild of the Landsat 8), and to receive data from international partners. The budget also includes a \$4.0 million increase for Landsat science products for climate and resource assessments.

The budget provides increases for foundational data and tools needed to support landscape level understanding, increases for mapping, expanded lidar collection through the 3D Elevation Program, making data more easy to access and use under the Big Earth Data Initiative, and developing information and tools to assess ecosystem services and benefits. For example, an increase of \$3.7 million will expand three-dimensional elevation data collection in Alaska and elsewhere in the United States, mitigate the effects of coastal erosion, storms, and other hazards, and support many other critical activities. A \$1.8 million increase will enhance understanding of the benefits of the Nation's ecosystem services and a \$1.1 million increase for the Big Earth Data Initiative will make high-value data sets easier to discover, access and use.

The USGS plays an important role in conducting research and developing information and tools to support communities in preparing for, and responding to the impacts of global climate change. The budget includes an increase of \$32.0 million for science to support climate resilience and adaptation. The budget includes a \$6.8 million increase in science for adaptation and resilience planning and an increase of \$2.3 million for the USGS to provide interagency coordination of regional climate science activities across the Nation, an increase of \$9.1 million to support biological carbon sequestration, and \$11.0 million for the USGS to support the community resilience toolkit, which is a web based clearinghouse of data, tools, shared applications, and best practices for State, local and tribal resource managers, decision-makers, and the public.

Fish and Wildlife Service.—The 2016 budget for FWS totals \$3.0 billion, including current appropriations of \$1.6 billion, an increase of \$130.7 million compared to the 2015 level. The proposed funding level will allow the bureau to facilitate collaboration and action on the ground as the best way to preserve the wildlife and open spaces so important to the Nation. For this reason, I ask the committee remove the rider included in the Fiscal Year 2015 Appropriations Act that prevents the FWS from writing rules to list several species of sage-grouse. Our approach to working collaboratively among Federal agencies, States and stakeholders could provide the path for conserving species so Endangered Species Act protection for both the bi-State and Greater Sage-Grouse is not necessary. The fiscal year 2015 rider has complicated implementation of the urgent work needed to protect the sagebrush-steppe from threats such as invasive species, fire and fragmentation. These threats impact not only the sage-grouse, but 350 other species of wildlife and traditional economic activity like ranching, hunting and recreation central to the Western way of life. Absent effective conservation efforts to reduce or remove the threats now affecting the species, the likelihood of eventual listing of the Greater Sage-Grouse under the ESA will be increased.

The budget includes \$1.4 billion available under mandatory appropriations, most of which will be provided directly to States for fish and wildlife restoration and conservation. In 2016, a total of \$1.5 billion in current funding is proposed for FWS as part of the administration's initiative to reconnect Americans to the outdoors.

Creating opportunities for Americans to enjoy the outdoors through programs at FWS will help to ensure future generations appreciate and conserve natural resources and preserve natural places. Investments that support this effort in 2016 include \$1.3 billion for FWS operations, an increase of \$114.2 million over the 2015 level. The request includes \$5.0 million for the National Wildlife Refuge System's Urban Wildlife Conservation Partnerships that will reconnect the Nation's urban populations with the outdoors. With 80 percent of the U.S. population currently residing in urban communities near more than 260 wildlife refuges, using the Refuge System to help urbanites to rediscover the outdoors is a priority for FWS. The budget also requests \$108.3 million for grant programs administered by FWS that support America's Great Outdoors goals. Within this amount is an increase of \$11.3 million for the State and Tribal Wildlife grant program on which many States and tribes rely to fund non-game animal conservation. The request also includes program increases of \$10.0 million for Challenge Cost Share projects and \$5.0 million for the Joint Venture program to support cooperation with non-Federal partners to enhance the resilience of habitat to adapt to a changing climate.

The budget proposes \$16.8 million, an increase of \$2.6 million, for activities associated with energy development. Of this increase, \$1.4 million supports scientific research into the impacts of energy transmission and development infrastructure on wildlife and habitat. The research will identify potential impacts associated with the development of energy infrastructure and strategies to minimize the impacts on habitat and species. An increase of \$1.2 million for the Ecological Services Planning and Consultation program supports assessments of renewable energy projects proposed for development.

The budget request for the Resource Management account continues support for key programs with program increases of \$110.6 million above 2015. The request provides \$258.2 million in Ecological Services to conserve, protect, and enhance listed and at-risk species and their habitat, an increase of \$32.3 million. Within this request are increases of \$4.0 million to support conservation of the sage steppe habitat across 11 Western States and \$4.0 million to support Gulf Coast restoration.

The request includes funding within Law Enforcement and International Affairs to combat wildlife trafficking. The budget provides \$75.4 million for the law enforcement program to investigate wildlife crimes, enforce the laws governing the Nation's wildlife trade, and expand technical forensic expertise, with program increases of \$8.0 million over 2015.

The budget includes \$147.5 million for Fisheries and Aquatic Resource Conservation, a program increase of \$4.9 million. Within this request is \$53.4 million for operation of the National Fish Hatchery System and a \$2.4 million increase to prevent the spread of Asian carp in the Missouri, Ohio, upper Mississippi Rivers, and other high priority watersheds.

Funding for Cooperative Landscape Conservation activity is \$17.9 million, an increase of \$3.9 million, and funding for Science Support is \$31.7 million, a program increase of \$14.7 million. The budget supports applied science directed at high impact questions to mitigate threats to fish and wildlife resources, including \$2.5 million to address white-nose syndrome in bats, an increase of \$1.0 million to study biological carbon sequestration, and an increase of \$1.0 million to analyze ecosystem services valuation.

The 2016 budget proposes to eliminate the current funding contribution to the National Wildlife Refuge fund, a reduction of \$13.2 million below 2015. An estimated \$8.0 million in mandatory receipts collected and allocated under the program would remain available to counties.

National Park Service.—The 2016 budget request for NPS of \$3.0 billion is \$432.9 million above the 2015 enacted level. The 2016 NPS budget request for operations is \$2.5 billion. This is an increase of \$239.4 million above the 2015 enacted level, consisting of \$213.4 million in program increases, and \$25.3 million in fixed costs increases. Highlights of the 2016 budget include the increases for the Centennial. A \$40.0 million increase to the Centennial Challenge program will provide an important Federal match to leverage partner donations for projects and programs at national parks in anticipation and support of the upcoming Centennial.

Other changes include a \$2.2 million programmatic reduction to refocus operations funding which partially offsets the following increases: \$16.3 million to provide healthcare insurance to seasonal employees, \$6.0 million to fund projects that will document and preserve civil rights history in the national park system, \$3.5 million for climate change adaptation projects, \$3.0 million to improve baseline cultural resource documentation at park units, and \$2.5 million for science priorities. The 2016 budget also broadens the scope of NPS programs contributing to the understanding of and preparing for the impacts of a changing climate. A \$10.0 million program increase is requested in the Challenge Cost Share program for NPS to

work with non-Federal partners on projects that increase the resilience of landscapes in response to changing climate.

The administration proposes an initiative to Celebrate Civil Rights in America in 2016 by commemorating the struggles undertaken by Americans to secure civil rights and liberties. The 2016 budget will provide resources to celebrate how those actions inspired many groups in America and around the world to continue to pursue progress for civil rights. The budget proposes increases of \$50.0 million, including \$6.0 million to fund projects that will document and preserve civil rights history in the national park system, and \$1.5 million to address critical base operating NPS needs at sites such as the Harriet Tubman Underground Railroad National Historical Park in Maryland, and the Charles Young Buffalo Soldiers National Monument in Ohio. Also included in the \$50.0 million initiative is \$30.0 million for competitive historic preservation grants to preserve the stories and sites associated with the Civil Rights movement, and \$2.5 million for grants specifically to Historically Black Colleges and Universities to document, interpret, and preserve the stories and sites associated with the progression of Civil Rights in America. Finally, \$10.0 million will provide the necessary resources to complete high priority facility projects at NPS sites associated with the Civil Rights movement such as the Selma Interpretive Center at the Selma to Montgomery National Historic Trail, the Lincoln Memorial and the Martin Luther King, Jr. National Historic site.

The 2016 request for the Historic Preservation Fund is \$89.9 million, an increase of \$33.5 million. Of this total, \$46.9 million is requested for grants-in-aid to States and Territories, which is level with 2015. A total of \$10.0 million is requested for grants-in-aid to tribes, an increase of \$1.0 million. The budget proposes to fund grants-in-aid to Historically Black Colleges and Universities through a \$2.5 million increase, which is an important component of the Civil Rights initiative. Finally, the budget includes \$30.5 million for competitive grants-in-aid, a \$30.0 million increase for new competitive grants as part of the Civil Rights initiative, and \$500,000 for the existing competitive grants targeted toward communities currently under represented on the National Register of Historic Places.

The 2016 request includes \$54.2 million for the National Recreation and Preservation account, a decrease of \$8.9 million compared to 2015. These changes consist of a program reduction of \$9.7 million to Heritage Partnership Programs, a programmatic increase of \$703,000 for the National Register program to digitize records, a programmatic increase of \$260,000 for the Federal Lands to Parks program, and fixed costs increases of \$506,000.

Programs funded out of the Land and Water Conservation Fund are a key strategy to enhance America's Great Outdoors. The budget requests \$117.5 million for the Land Acquisition and State Assistance account, an increase of \$18.5 million. This includes \$53.2 million for the State Conservation Grants program, a programmatic increase of \$5.0 million, and \$64.3 million for NPS Federal land acquisition, a programmatic increase of \$13.3 million. Of this amount, \$16.3 million supports Collaborative Landscape projects.

Funding for Construction totals \$251.0 million, an increase of \$112.6 million. Of this amount, the budget includes \$153.3 million for line-item construction projects, a \$91.7 million program increase compared to 2015. The request includes \$8.7 million to provide seismic stabilization at the Mammoth Hotel at Yellowstone National Park and \$3.0 million to rehabilitate the Selma Interpretive Center at the Selma to Montgomery National Historic Trail.

Indian Affairs.—The 2016 budget for Indian Affairs is \$2.9 billion, \$323.5 million above the 2015 level. This includes an increase of \$231.4 million for Operation of Indian Programs; an increase of \$32.0 million for Indian Land and Water Claim Settlements; an increase of \$60.1 million for Construction; and level funding of \$7.7 million for the Indian Guaranteed Loan program.

The 2016 budget fully funds Contract Support Costs at \$277.0 million, an increase of \$26.0 million above 2015. Based on the most recent analysis, the requested amount for 2016 will fully fund Contract Support Costs. To stabilize long-term funding and address programmatic concerns with Contract Support Costs, the 2016 budget also proposes—for the first time—a legislative proposal to reclassify these costs as mandatory funding beginning in fiscal year 2017. Mandatory funding for Contract Support Costs will help stabilize this vital funding for Tribes and further self-governance and self-determination efforts.

The budget contains a number of critical increases to support tribal nation-building and economic development. The budget capitalizes on the important role BIA plays as a broad provider of Federal services by proposing \$4.0 million to establish the One-Stop Tribal Support Center to make it easier for tribes to find and access hundreds of services available to tribes across the Federal Government. The 2016 budget includes \$4.5 million to establish an Indian Energy Service Center to facili-

tate vital energy development in Indian Country of both conventional and alternative energy and to support assessment of the social and environmental impacts of energy development on tribal lands. A data initiative of \$12.0 million is proposed to improve and expand access to quality data for tribal leaders and other decision makers. This funding will establish an Office of Indian Affairs Policy, Program Evaluation, and Data which will help the Department collect, analyze, and utilize evidence to support effective policy making and program implementation. Lastly, a \$1.3 million increase for the Small and Needy Tribes program is proposed to assist eligible Tribes in expanding and sustaining tribal governance.

The 2016 budget proposes an additional \$15.0 million to expand Indian Affairs' capacity in current programs that address Indian child and family welfare and job training issues. The budget proposes program increases of \$6.0 million for social services programs, \$4.0 million for law enforcement special initiatives, and \$5.0 million for tribal courts. The law enforcement increases will expand on pilot projects initiated in 2015 in which BIA law enforcement is implementing a comprehensive strategy to support alternatives to incarceration. Funding increases for these programs will be integrated with other funding increases across the Federal Government, including an additional \$25.0 million to the Indian Health Service to address behavioral health issues, a \$25.0 million increase to the Substance Abuse and Mental Health Services Administration for the Tribal Behavioral Health program, and a \$132.0 million increase for the Administration for Children and Families for Tribal Child Care programs, cultural and language preservation programs, tribal child welfare programs, Tribal Head Start, and other native programs.

The 2016 budget proposes a \$1.0 billion investment in Indian education to support a comprehensive transformation of BIE. The multi-year process will transform BIE into an organization that serves as a capacity builder and service provider to support tribes in educating their youth and deliver a world class and culturally appropriate education across Indian Country. The budget provides increases totaling \$138.4 million for elementary and secondary school education activities funded by BIE and education construction. The request includes a program increase of \$45.5 million in Elementary and Secondary education. An increase of \$12.9 million will fully fund Tribal Grant Support Costs which, similar to Contract Support Costs, assists tribes that run their own schools by covering the costs of administering programs. The Education Program Enhancement program is increased by \$10.0 million to encourage creative solutions for school transformations. Requested facility maintenance and operations increases totaling \$20.0 million will provide essential preventive and routine maintenance and operating expenses so schools are operated in a safe and educationally conducive manner. The 2016 budget also includes a \$34.2 million increase for education information technology to enhance broadband and digital access for students at BIE-funded schools.

The budget requests a \$58.7 million increase for Education Construction to support the education transformation. This includes a \$25.3 million increase for replacement school construction to complete construction of the final two schools on the 2004 replacement school construction priority list: Little Singer Community School and Cove Day School, both in Arizona. A \$17.7 million increase for facilities improvement and repair is requested for repairs to building structures and components necessary to sustain and prolong the useful life of education buildings. Additionally, the budget includes \$11.9 million to address major facility replacement needs at schools like the Bug-O-Nay-Ge-Shig school on the Leech Lake Band of the Ojibwe reservation. Lastly, an increase of \$3.7 million is requested for employee housing repair which will complement a new \$10.0 million set-aside proposed in the Department of Housing and Urban Development to address teacher housing needs.

The 2016 budget also includes increases totaling \$7.4 million to meet educational needs beyond the BIE elementary and secondary system. To further higher education, a \$4.6 million increase is requested for scholarship and adult education and a \$250,000 increase is requested for Special Higher Education Scholarships. The 2016 budget includes a \$2.6 million increase for the Johnson O'Malley program to provide American Indian and Alaska Native students attending public schools with additional resources to meet their unique and specialized educational needs.

The 2016 budget strongly supports the sustainable stewardship of trust lands, natural resources, and the environment in Indian Country. The budget includes program increases totaling \$63.2 million for the trust natural resources and real estate services programs. The budget provides a total of \$50.4 million, a \$40.4 million increase over 2015, proposed across nine natural resource programs, to support tribal communities in sustainable resource management and in preparing and responding to the impacts of climate change, such as drought, wildfires, changes in the plants and animals important to subsistence and culture, rights protection, coastal erosion, and sea level rise.

The budget includes a total increase of \$16.2 million for trust real estate service activities to reinforce the stewardship of trust resources. The expanded capacity will address the probate backlog, land title and records processing, geospatial support needs, and database management in addition to providing expanded technical and legal support for authorized settlements involving tribal water rights. The BIA increases for water rights settlements represent a subset of increases totaling \$73.0 million across the Department to support resolving tribal water rights claims and ensuring that tribes have access to use and manage water to meet domestic, economic, cultural, and ecological needs.

Collectively, the 2016 budget proposes a total of \$982.7 million in Tribal Priority Allocations, an increase of \$56.2 million over the 2015 level.

The 2016 budget request for Indian Land and Water Claim Settlements is \$67.7 million, a \$32.0 million increase over the 2015 enacted level. Several funding increases demonstrate the administration's strong commitment to resolve tribal water rights claims to ensure tribes have access to use and manage water. Funding for the Taos Pueblos Indian Water Rights Settlement is increased by \$13.8 million over 2015 for a total funding request of \$29.2 million. This funding amount will constitute the final payment of the Taos Pueblo settlement. The Navajo-Gallup Water Supply project is increased by \$8.8 million to meet projected 2016 funding needs. The budget proposes a \$9.4 million increase for the second year of funding for the Aamodt Settlement enacted as part of the Claims Resolution Act of 2010. The budget also contains increases of \$14.1 million to provide expanded technical and legal support for tribal water rights settlement negotiations and implementation.

The 2016 budget for the Indian Guaranteed Loan Program is \$7.7 million, equivalent to the 2015 enacted level. This will provide \$113.8 million in loan guarantee authority to support Indian economic development.

Departmental Offices and Department-wide Programs.—The 2016 request for the Office of the Secretary is \$327.9 million, an increase of \$62.7 million from the 2015 enacted level. The budget reflects an increase of \$50.0 million for Coastal Resilience grants. The Coastal Resilience competitive grants will support the restoration and conservation of key ecological systems that protect communities and infrastructure from the impacts of coastal storms. In collaboration with State, local, and tribal governments, non-governmental organizations, universities, and other stakeholders, the program's goals are to mitigate the impacts of climate change on coastal and inland communities from storm wave velocity, salt water intrusion, erosion, flooding, sea level rise, and associated natural threats; and to strengthen the ecological integrity and functionality of coastal and inland ecosystems to protect communities and enhance the ability of Federal lands to support important recreational, wildlife, and cultural values. The program will also enhance understanding of the impacts of extreme weather events, the benefits of nature based infrastructure and ecosystem services, and identify cost-effective tools that help mitigate and support community resilience with future events. Such information, tools, and investments are of particular interest to vulnerable communities in Arctic Alaska, where villages are suffering the full impact of rapidly accelerating erosion rates and flooding due to loss of protective sea ice and degraded permafrost. As buildings are being claimed by the sea and critical infrastructure is threatened, representatives from Arctic villages and communities in coastal Alaska have repeatedly appealed for this type of support.

The budget proposes an increase of \$1.5 million for work with the National Invasive Species Council to develop an Early Detection Rapid Response framework in support of climate resilience efforts. Invasive species pose one of the greatest threats to the ecological, economic and cultural integrity of America's landscapes. Detecting invasive species early and rapidly responding to control their spread is one of the most cost effective strategies to mitigate their threat. The additional funding will support planning efforts for a coordinated invasive species early detection and rapid response framework with other Federal agencies, States, tribes and other partners. The funds also will be used to implement commitments identified in the Department's Invasive Species Action Plan, the National Invasive Species Council work plan, and the White House Priority Agenda—Enhancing the Climate Resilience of America's Resources report. As with coastal resilience support, Governors and tribal leaders from across the country have appealed for coordination and support for early detection and rapid response efforts, and this was of particular interest to a task force of State, local, and tribal leaders eager to build resilience for their communities and lands.

The budget proposes a \$5.9 million and 18 FTE increase to support the Office of Natural Resources Revenue's Osage Tribal accounting activities, to expand ONRR's Geospatial Information Systems capabilities, and to expand on-shore production verification and data integration efforts. The budget for the Office of the Secretary

also includes \$3.0 million for the development of a Digital Service team, which will be responsible for driving the efficiency and effectiveness of the Department's high-impact digital services.

The budget request for the Office of Insular Affairs is \$103.0 million, an increase of \$13.7 million from the 2015 enacted level excluding the Palau Compact Extension funding of \$13.1 million. Within this amount, a program increase of \$10.4 million is requested in Office of Insular Affairs and General Technical Assistance to increase the grant management staff to improve oversight, and address needs in the insular areas related to sea level rise by supporting development of infrastructure and community resilience initiatives. The Maintenance Assistance Fund request includes a program increase of \$3.9 million to improve health and safety conditions in insular school facilities. The budget also requests a program increase of \$1.5 million in Empowering Insular Communities to implement energy projects identified by the territories in their comprehensive sustainable energy strategies. Brown Treesnake Control is funded at \$3.0 million, a program decrease of \$500,000, which reflects completion of an automated aerial bait system in 2015. The budget requests \$1.3 million for Compact Impact, a program decrease of \$1.7 million from 2015. This funding is supplemented by \$30.0 million annually in mandatory Compact Impact funding. The budget includes a mandatory proposal to fund the Palau Compact, as a result it does not include stopgap discretionary funding of \$13.1 million provided in the 2015 appropriations process.

The Solicitor's 2016 budget is \$69.9 million, \$4.1 million above the 2015 enacted level. Maintaining sufficient attorney resources to handle filed litigation, avoid potential litigation, and provide timely counseling is critical to ensuring that litigation risks are minimized. Front-end counseling is critical to realizing cost savings by either preventing litigation or narrowing the issues that might be challenged in litigation. The increase for legal services will allow for the continuation of existing services with sufficient resources to provide the Secretary and the Department the necessary legal services for the advancement of priority goals and other mission areas.

The Office of Inspector General request is \$52.2 million, an increase of \$1.8 million compared to the 2015 enacted level. The 2016 budget includes \$423,000 in funding to support the Council of the Inspectors General on Integrity and Efficiency. The Inspector General estimates staffing will equal 286 full time equivalents in 2016.

The Office of the Special Trustee request is \$143.0 million, \$3.9 million above the 2015 enacted level. The budget includes an increase of \$2.8 million in Program Operations and Support. A \$1.6 million increase is requested in field operations to provide additional estate planning opportunities to Indian Trust beneficiaries. This will help stem the growth of both land fractionation in Indian Country and the number of Trust beneficiary estates that require probate. A \$1.2 million increase is requested in appraisal services for an appraiser training program to address the shortage of qualified appraisers and the resulting delays in completing appraisal evaluations. Lastly, a \$1.0 million increase is requested in trust records to expand the records training program at Haskell Indian Nations University, create new records training programs at two additional tribal colleges, and fund the increased requirements related to the Department's email Enterprise Records and Document Management System initiative. The budget also includes a \$972,000 reduction in funding for Office of Historical Trust Accounting based on anticipated workload levels.

The 2016 request for the Department-wide Wildland Fire Management program is \$805.5 million without the proposed fire cap adjustment, and \$1.05 billion including the adjustment. The request includes \$268.6 million for fire suppression within the base budget, which is 70 percent of the 10 year suppression average spending. The cap adjustment of \$200.0 million would only be used for the most severe fires, since it is 1 percent of the fires that cause 30 percent of the costs. The new budget framework for Wildland Fire Management eliminates the need for additional funds through the FLAME Act.

The 2016 budget requests \$30.0 million in a new Resilient Landscapes subactivity to build on resilient landscapes activities supported by Congress in 2015. Congress provided \$10.0 million for resilient landscapes activities in the 2015 Omnibus Appropriations Act by designating that amount within Fuels Management. While fuels treatments and resilient landscapes activities are complementary and synergistic, they also have distinct differences, including the methodology for prioritizing place-based projects and a leveraged funding requirement for resilient landscapes. Establishing a separate subactivity for Resilient Landscapes will assist the Department and Wildland Fire Management bureaus in tracking funds obligated and program accomplishments. The \$20.0 million increase in funding will enable the Wildland Fire Management program to take better advantage of the shared goals of bureau resource management programs to treat large landscapes to achieve and maintain

fire-adapted ecosystems that both reduce the threat of catastrophic wildfire and achieve restoration and other ecological objectives. The increase for Resilient Landscapes is partially offset with a program realignment of \$17.7 million in the Fuels Management program from 2015; total funds for the combined Fuels Management and Resilient Landscapes subactivities are \$14.3 million above 2015.

The 2016 request for the Natural Resource Damage Assessment and Restoration program is \$9.2 million, an increase of \$1.5 million over the 2015 enacted level. The budget includes program increases of \$1.5 million for Restoration Support, \$233,000 for Program Management, \$100,000 for Inland Oil Spill Preparedness, and a program reduction of \$448,000 for Damage Assessment reflecting a reallocation of funding to increase restoration activities.

The budget includes \$10.0 million for the Central Hazardous Materials Fund, equal to the 2015 enacted level.

The Department's 2015 request for the Working Capital Fund appropriation is \$74.5 million, an increase of \$17.4 million from the 2015 enacted level. Within this request is \$53.9 million for the operation and maintenance of the Financial and Business Management System, an increase of \$1.0 million to continue support of the Department's Cultural and Scientific Collections initiative, an increase of \$702,000 for the Department's Service First initiative, and an increase of \$5.2 million to support Interior's Office Consolidation strategy. The budget also includes an increase of \$10.5 million to support Interior's multi-year effort to implement requirements identified under the Digital Accountability and Transparency Act, known as the DATA Act, and monitor compliance.

LEGISLATIVE PROPOSALS

The 2016 President's budget includes a suite of legislative and offsetting collection proposals affecting spending, revenues, and available budget authority that require action by the congressional authorizing committees. These proposals address a range of administration priorities, from investing in high-priority conservation and recreation programs to achieving a fair return to the American taxpayer from the sale of Federal resources and reducing unnecessary spending. The 2016 budget includes seven spending proposals with \$15.2 billion in estimated outlays over the next decade. This spending is partially offset by revenue and savings proposals estimated to reduce outlays from the Treasury by more than \$5.6 billion over the next decade.

Bureau of Indian Affairs Contract Support Costs.—The budget includes a legislative proposal to reclassify the existing Contract Support Costs program from current to mandatory funding beginning in fiscal year 2017. Congress requested that both BIA and the Indian Health Service consult with tribes to develop a long-term approach to funding Contract Support Costs. The leading tribal recommendation was to provide funding for contract support costs as a mandatory appropriation. Beginning the reclassification in 2017 will allow time for tribal consultation in 2016 on operational details. The budget proposes to adjust the discretionary budget caps to reflect the reclassification. The estimate for projected BIA program growth, above the discretionary cap amount, totals \$105.0 million for 2017–2019 and will be treated as a Statutory Pay-As-You-Go Act of 2010 cost for the authorizing legislation. New contract support cost legislative proposals and offsetting collections estimates will be provided on a 3-year cycle as part of the reauthorization process.

Coal Abandoned Mine Lands Reform.—As part of the administration's POWER+ Plan, the budget proposes to accelerate payments from a portion of the remaining unappropriated balance of the AML Fund to target the cleanup and redevelopment of AML sites and AML coal mine polluted waters in a manner that facilitates sustainable revitalization in economically depressed coalfield communities. The proposal will provide \$1.0 billion over 5 years to States based on AML program and economic eligibility factors—such as the unemployment rate of coal mining regions—and remaining priority coal problems, including abandoned mine drainage, where reclamation linked to job creating economic development strategies will help revitalize impacted communities.

Gulf of Mexico Energy Security Act.—The Gulf of Mexico Energy Security Act of 2006 opened some additional areas in the Gulf of Mexico for offshore oil and gas leasing, while maintaining moratoria on activities east of the Military Mission Line and within certain distances from the coastline of Florida. The Act provides that 37.5 percent of Outer Continental Shelf revenues from certain leases be distributed to just four coastal States—Alabama, Louisiana, Mississippi, and Texas—and their local governments based on a complex allocation formula. Under the administration's all-of-the-above energy strategy, domestic energy production has grown each year. Offshore, the Department has made 60 million acres available for development

in the past three lease sales alone. The administration is committed to ensuring American taxpayers receive a fair return from the sale of public resources and taxpayers throughout the Country benefit from the development of offshore energy resources owned by all Americans. The administration proposes to work with the Congress on legislation to redirect funds currently allocated to GOMESA revenue-sharing payments to just four States from Gulf of Mexico oil and gas leases. The administration proposes to redirect these payments, which are set to expand substantially starting in 2018, to programs that provide broad natural resource, watershed and conservation benefits to the Nation, help the Federal Government fulfill its role of being a good neighbor to local communities, and support other national priorities. Such programs could include the Land and Water Conservation Fund, Payments in Lieu of Taxes, State and Tribal Wildlife Grants, Federal coastal restoration and resilience programs, and other national priorities.

United Mineworkers of America Health and Pension Reform.—The budget proposes to better provide for retired coal miners and their families by revising the formula for general fund payments to the 1993 UMW Health Benefit Plan. The new formula will consider all beneficiaries enrolled in the plan as of enactment, as well as those retirees whose health benefits were denied or reduced as the result of a bituminous coal industry bankruptcy proceeding commenced in 2012. Additionally, the proposal will transfer funds through the Pension Benefit Guaranty Corporation to the trustees of the 1974 UMW Pension Plan to ensure the plan's longterm solvency. The plan, which covers more than 100,000 mineworkers, is underfunded and approaching insolvency. The new formula will provide an additional \$363.0 million to the UMW in 2016 and \$3.9 billion over 10 years.

Land and Water Conservation Fund.—The budget proposes \$900.0 million in current and mandatory funding in 2016, and starting in 2017, the budget proposes permanent authorization of \$900.0 million in mandatory funding for LWCF programs in the Departments of the Interior and Agriculture. During a transition to mandatory funding in 2016, the budget proposes \$500.0 million for mandatory funding and \$400.0 million for current funding, to be shared by Interior and Agriculture.

National Parks and Public Lands Centennial.—The Centennial initiative proposes \$500.0 million a year for 3 years or \$1.5 billion in mandatory funding beginning in 2016 for the following programs: \$100.0 million a year for a National Park Service Centennial Challenge to leverage private donations; \$300.0 million a year for addressing NPS deferred maintenance backlogs; and \$100.0 million a year for a Public Lands Centennial Fund, which will competitively allocate funds for projects on public lands. Interior's public lands bureaus and Agriculture's Forest Service will identify projects that enhance visitor services and outdoor recreation opportunities, restore lands, repair facilities, and increase energy and water efficiency. The availability of mandatory funding to address deferred maintenance and other conservation projects will allow these agencies to plan ahead more efficiently to achieve significant results. Stable and predictable funding streams will allow projects to be appropriately scheduled and phased for effective project delivery and completion from a capital investment standpoint.

Federal Land Transaction Facilitation Act.—The Department proposes to reauthorize this Act that expired on July 25, 2011 to allow Federal lands identified as suitable for disposal in recent land use plans to be sold using this authority. The sales revenues would continue to fund the acquisition of environmentally sensitive lands and administrative costs associated with conducting the sales.

Recreation Fee Program.—The Department of the Interior proposes to permanently authorize the Federal Lands Recreation Enhancement Act, which will expire September 30, 2016. The program currently brings in an estimated \$281 million in recreation fees annually under this authority and uses them to enhance the visitor experience at Interior facilities. In addition, as a short-term alternative to proposed legislation for long-term reauthorization, the budget proposes to extend authorization through September 30, 2017.

Federal Oil and Gas Reforms.—The budget includes a package of legislative reforms to bolster and backstop administrative actions being taken to reform the management of Interior's onshore and offshore oil and gas programs, with a key focus on improving the return to taxpayers from the sale of these Federal resources. Proposed statutory and administrative changes fall into three general categories: (1) advancing royalty reforms, (2) encouraging diligent development of oil and gas leases, and (3) improving revenue collection processes. Collectively, these reforms will generate roughly \$2.5 billion in net revenue to the Treasury over 10 years, of which about \$1.7 billion would result from statutory changes. Many States will also benefit from higher Federal revenue sharing payments.

Palau Compact.—On September 3, 2010, the U.S. and the Republic of Palau successfully concluded the review of the Compact of Free Association and signed a 15-year agreement that includes a package of assistance through 2024. The 2016 budget assumes authorization of mandatory funding for the Compact occurs in 2015. The cost for this proposal is estimated at \$163 million for 2016 through 2024.

Payments in Lieu of Taxes.—The Consolidated and Further Continuing Appropriations Act of 2015 provides \$372.0 million in current funding and the National Defense Authorization Act for fiscal year 2015 provides mandatory funding of \$33.0 million in 2015 and \$37.0 million in 2016. The 2016 budget proposes to extend authorization of the program an additional year while a sustainable long-term funding solution is developed for the PILT Program. The PILT payments help local governments carry out vital services, such as firefighting and police protection, construction of public schools and roads, and search and rescue operations. The cost of a 1 year extension is estimated to be \$452.0 million in 2016.

Reclamation of Abandoned Hardrock Mines.—To address the legacy of abandoned hardrock mines across the U.S. and hold the hardrock mining industry accountable for past mining practices, the Department will propose legislation to create a parallel Abandoned Mine Lands Program for abandoned hardrock sites. A new AML fee on hardrock production on both public and private lands would generate an estimated \$1.8 billion to reclaim the highest priority hardrock abandoned sites on Federal, State, tribal, and private lands.

Reform Hardrock Mining on Federal Lands.—Interior will submit a legislative proposal to provide a fair return to the taxpayer from hardrock production on Federal lands. The legislative proposal will institute a leasing program under the Mineral Leasing Act of 1920 for certain hardrock minerals including gold, silver, lead, zinc, copper, uranium, and molybdenum, currently covered by the General Mining Law of 1872. The proposal is projected to generate net revenues to the U.S. Treasury of \$80 million over 10 years, with larger revenues estimated in following years.

Return Coal Abandoned Mine Land Reclamation Fees to Historic Levels.—The budget proposes legislation to modify the 2006 amendments to the Surface Mining Control and Reclamation Act, which lowered the per-ton coal fee companies pay into the AML Fund. The proposal would return the current fee of 28 cents per ton of surface mined coal to 35 cents a ton, the same level companies paid prior to the 2006 fee reduction. The additional revenue, estimated at \$306 million over 10 years, will be used to reclaim high priority abandoned coal mines and reduce a portion of the estimated \$4.0 billion needed to address remaining dangerous coal AML sites nationwide.

Termination of AML Payments to Certified States.—The budget proposes to discontinue unrestricted payments to States and tribes certified for completing their coal reclamation work. This proposal terminates all such payments, with estimated savings of approximately \$224 million over the next 10 years.

Termination of Geothermal Energy Payments to Counties.—The Department proposes to repeal Section 224(b) of the Energy Policy Act of 2005 to permanently discontinue payments to counties and restore the disposition of Federal geothermal leasing revenues to the historical formula of 50 percent to the States and 50 percent to the Treasury. This results in estimated savings of \$4.0 million in 2016 and \$47.0 million over 10 years.

Bureau of Land Management Foundation.—The budget proposes legislation to establish a congressionally chartered National BLM Foundation. This Foundation will provide an opportunity to leverage private funding to support public lands, achieve shared outcomes, and focus public support on the BLM mission.

Migratory Bird Hunting and Conservation Stamp Act.—The passage of the Federal Duck Stamp Act of 2014 raised the price of a Duck Stamp for the first time in more than 20 years. To provide greater stability in the future, the budget includes a legislative proposal to provide the Secretary limited authority to increase the price of a Duck Stamp, with the approval of the Migratory Bird Conservation Commission, to keep pace with inflation.

OFFSETTING COLLECTIONS AND FEES

The budget includes the following proposals to collect or increase various fees, so industry shares some of the cost of Federal permitting and regulatory oversight. The budget also includes a proposal to recover costs from anyone who damages a national wildlife refuge.

New Fee for Onshore Oil and Gas Inspections.—Through appropriations language, the Department proposes to implement inspection fees in 2016 for onshore oil and gas activities subject to inspection by BLM. The proposed inspection fees are expected to generate \$48.0 million in 2016, \$6.9 million more than the 2015 enacted

program funding level, thereby expanding the capacity of BLM's oil and gas inspection program. The fees are similar to those already in place for offshore operations and will support Federal efforts to increase production accountability, human safety, and environmental protection.

Grazing Administrative Fee.—The 2016 budget proposes a new grazing administrative fee of \$2.50 per animal unit month. The BLM proposes to implement this fee through appropriations language on a pilot basis. The provision will generate an estimated \$16.5 million in 2016, more than offsetting a decrease of \$3.1 million in appropriated funds in the Rangeland Management program. The net increase of \$13.4 million in funding will assist BLM in processing backlogged grazing permits. During the period of the pilot, BLM will work to promulgate regulations to continue this cost recovery fee administratively, once the pilot expires.

National Wildlife Refuge Damage Cost Recovery.—The budget proposes appropriations language to authorize the Fish and Wildlife Service to pursue and retain recoveries from responsible parties, to be used to restore or replace damaged National Wildlife Refuge resources.

CONCLUSION

Thank you for the opportunity to testify on the President's 2016 budget request for the Department of the Interior. This budget is responsible, and proposes to maintain core capabilities with targeted investments to advance the stewardship of lands and resources, renewable energy, oil and gas development and reforms, water conservation, youth employment and engagement, and improvements in the quality of life in Indian communities. I thank you again for your continued support of the Department's mission. I look forward to answering questions about this budget. This concludes my written statement.

Senator MURKOWSKI. Thank you, Madam Secretary. I assume, Deputy Secretary Connor, you are available as we probe into the intricacies of the budget here, so appreciate your being here as well.

ARCTIC NATIONAL WILDLIFE REFUGE

Secretary, I have a number of questions that are related to this revised comprehensive conservation plan, and then the final EIS for the ANWR area, the Arctic National Wildlife Region.

More questions that we have time for here in this committee, so I am going to be asking a number of these questions about the plan and the FEIS for the record. I will be inquiring about when they were initiated, how, who worked on them.

I think it is important that folks understand how this plan came to be and the thinking behind it. I would just ask for your cooperation and that of the Department in receiving thorough, complete and prompt answers to these areas of inquiry.

KIVALINA, ALASKA

You mentioned your visit to Kivalina a couple of weeks ago. I appreciate the fact that you not only went to see Kivalina but you met with not only our Native leadership at their winter retreat but also with the Governor, the leadership in the House and Senate, and the entire Alaska Congressional Delegation on issues that are of concern to us.

You mentioned the funding in the budget that is available to help Tribes and coastal communities, and when you were in Alaska, you mentioned there was \$8 million that could be made available by way of grants.

I visited with the folks from the Northwest Arctic Borough region just yesterday in my office, and I asked them about accessing any of these funds that were available.

They described the offers almost laughable, that in fact, half of this \$8 million in grants would not be made available to them, that when you are looking to build an evacuation route or in many cases move a community, the costs that are associated are in the realm of \$100 to \$120 million for the community of Kivalina. Of course, we know Kivalina is just one of many.

They asked me to ask you this morning what is your proposal, having seen Kivalina and the situation that community faces, what is your proposal to help address their immediate needs for an emergency evacuation route.

Secretary JEWELL. Thank you, Senator Murkowski. I, too, had an opportunity to drop in on a meeting with our friends from Northwest Alaska.

The \$8 million in the 2015 budget is intended to support Tribal programs around resilience, but was certainly never intended to relocate villages. We have, since my visit to Kivalina, already visited with OMB looking at potential areas in the budget where we might be able to move relatively quickly, not just for Kivalina but many of the other coastal communities that are threatened.

The first step is planning and understanding options, and I certainly got some very helpful insights when I was in Kivalina about the decisions the village itself is facing, and what it wants to do.

There is certainly not enough money in the 2016 budget—or in the 2015 budget to do any major changes. That would require probably subsequent legislation, but I think working along side the State, understanding what other Federal resources we can bring to bear, which we are currently investigating right now, is a good step forward to try to figure out these very difficult situations that your State faces.

Senator MURKOWSKI. I think you would probably agree that we need a full on action plan because again it is not just Kivalina we are talking about. As our Governor has reminded you, we have a \$3.5 billion hole in our budget. The price of oil not looking like it is going to increase in the near term and production only going down, that is a concern for us, how we deal with that.

SHELL DRILLING IN CHUKCHI SEA

Let me speak just a moment here to the situation with Shell and their plans to drill in the Chukchi this summer for the first time since 2012. This is good news for us, particularly at a time that the price of oil is causing companies to really scrutinize their investment decisions on very large scale projects.

It makes it all the more important that Shell have the certainty that it needs before it proceeds to spend even yet more billions of dollars. It needs to retain its existing lease portfolio to warrant this enormous investment.

The difficulty, and I think you know this, is that Shell's leases were issued back in 2008. They are all scheduled to expire in 2020. Because of this very short window, a 75 day Arctic drilling season, and the difficulties, the delays, and legal challenges that are all out there, that Shell has endured for the past decade, there really are not enough drilling seasons remaining for Shell to complete more than a handful of exploration wells before the Chukchi lease portfolio expires.

The question to you—they have requested a suspension of operations and the application that Shell has presented has explained this suspension is warranted because of these delays, because of the challenging environment they operate in, and they are waiting for a little bit of certainty here.

I am told that in the Gulf, suspensions of operations are handled pretty routinely, pretty perfunctorily. They take a few months for a response. I understand absolutely that we have different issues in the Arctic. I appreciate that, but it has been 8 months now. The question is whether or not you can give me some certainty as to when Shell will receive an answer in response to its suspension of operations request.

Secretary JEWELL. Senator, we are actively working with Shell and other leaseholders up there on their requests for suspensions. Our team has been working very, very hard to address the supplemental EIS that was required of us by the courts to support Shell's activities potentially this summer.

The team focused on that, and the leases were suspended during the time that the court order was in place. As we have now released draft standards for the Arctic, and those are going through public review, we are continuing to work with Shell for this drilling season and the team is focusing a lot of attention on their request for suspension. We will be resolving that relatively soon. We understand the circumstances the companies have. We also understand the circumstances that Shell had in 2012. We get that it is complicated to do work up there. We want to make sure it is done safely and responsibly, and we want to be responsive to the companies.

Senator MURKOWSKI. You agree that it has taken—eight months is not a reasonable time period. Would you agree?

Secretary JEWELL. I do not know what a reasonable time period is honestly. It is very complicated up there. I do know we took our resources and focused them as we were requested to do on helping Shell move forward for this drilling season.

I also know we are actively working with them on suspensions, and I think they can expect an answer in the relatively near future.

Senator MURKOWSKI. I think you also would agree as a business person and one who looks longer term that it is difficult for any company to make the kinds of investment, the sizable investment that Shell will, without certainty as to whether or not you are going to have these leases.

I would appreciate it and I think not only Shell but others who are looking to advance operations in the offshore would appreciate some expediency on these requests for suspensions.

I will go to my ranking member.

NATIONAL PARK SERVICE CENTENNIAL

Senator UDALL. Thank you, Chairwoman Murkowski. Secretary Jewell, I was pleased to see that your budget request includes a 17 percent increase for the National Park Service to prepare for the Centennial, and I am especially proud that Congress, as you know, in the last Congress, authorized two new national parks in my State of New Mexico through the Defense Authorization Act. That is the Manhattan Project National Historical Park and the Valles

Caldera National Preserve, which was transferred to the Park Service.

VALLES CALDERA

First, I would like to ask about Valles Caldera. This Preserve is an incredible natural and cultural resource, and I was honored to work with other members of the New Mexico Delegation to get this done. We fought for this legislation to ensure this special place receives the resources that it needs.

That is why I am concerned that the Park Service budget request proposes reducing funding for the Preserve to \$2.8 million. That amount is a 17 percent cut below the level requested last year.

Secretary Jewell, this cut just does not make sense, especially in the face of other program increases you include in your budget for the National Park Service. Will you commit to working with me to ensure that the Valles Caldera receives the funding it needs to operate successfully in fiscal year 2016 and beyond?

Secretary JEWELL. Thanks, Senator. There is, as you point out, a shortfall from what the Forest Service was funding and what is in our budget. We are actively working with the Forest Service right now for additional funds that were lost in the shuffle on the budget, and certainly, we will continue to work with you on this over the course of the year.

Senator UDALL. Great. Thank you. We have discussed this and we will also work closely with the Forest Service and the Forest Service Chief on this.

PERMIT PROCESSING IMPROVEMENT FUND

As you know, I support responsible energy development on public lands as part of a “do it all, do it right” approach to energy policy. I was proud to sponsor legislation included in the National Defense Authorization Act enacted in December to improve permit processing for BLM oil and gas leases, providing certainty for industry and it aligned the fee with the actual cost to the BLM for processing applications for permits to drill.

Can you tell me where you are with fully implementing the Permit Processing Improvement Act, and share with us how the new resources provided through the bill will improve your ability to responsibly manage energy development. And then, are there aspects of the 2016 budget request that you need us to focus on to implement the improvements we made through the bill?

Secretary JEWELL. Thank you very much, Senator, for your support of increasing the APD, or application for permits to drill for the BLM to \$9,500. There was 15 percent of that that was taken away for other programs, so we have put in our budget to make up for that \$7.1 million in the discretionary request, so we do have the full money available for permitting.

That will help us on the permitting side, but it is not enough in and of itself to do the job that we are expected to do. We have requested in the budget the ability to learn a lesson from the offshore industry, and that is to charge a modest fee for onshore oil and gas producers to cover our costs for inspection and enforcement.

We have been criticized by the Government Accountability Office and our own Inspector General for not inspecting the wells that we

have. We are overseeing over 100,000 wells on public lands. We do not have the resources to inspect those wells. That is a challenge from a return to the taxpayer perspective, as well as ensuring there is no environmental damage.

We do request in the budget a couple of other things to make our program better. In addition to what you have done in terms of fees for the authorizations for permits to drill, we would very much appreciate fees to cover inspections, particularly for production and a fair return for taxpayers, and also there are funding requests to automate our system.

As I have gone out to Carlsbad, New Mexico, North Dakota, other States, we have a very paper oriented system, and as a business person, I know it costs money up front to put in investments for automating and streamlining that program, and there is money in this budget to do that, which will help us respond more quickly to oil and gas companies for the permits they want.

We have also brought the permitting time down because of a lot of hard work and streamlining and piloting. We want to take and roll some of those lessons out, and that is also in this budget.

PAYMENTS IN LIEU OF TAXES

Senator UDALL. We look forward to working with you on that. Quick question on Payments in Lieu of Taxes (PILT). As you know, this is very important to many of the counties in our Western States, and there are many members on this committee that have spoken with me a number of times about PILT.

Can we count on you to make mandatory extension of PILT a personal priority, and what is the Department doing to work with the relevant congressional committees to pass a long term mandatory extension for the PILT Program?

Secretary JEWELL. We understand how critically important PILT is to many, many rural counties across the country, particularly in the West. Yes, we are committed to working along side members on introducing legislation to make it mandatory.

I think to have it as uncertain as it is for the counties is very frustrating for them. There are real costs associated with the inability for rural counties to tap into a tax base on public lands, so we are supportive and look forward to working with you on that.

Senator UDALL. Thank you very much. Thanks, Madam Chairwoman.

Senator MURKOWSKI. Senator Daines.

SAGE-GROUSE

Senator DAINES. Thanks, Madam Chairman. Secretary Jewell, good to see you again here today. I would like to follow up on an item that we discussed last week at the Energy and Natural Resources Committee hearing, and I would mention the importance of incorporating Montana State's plan into the BLM's sage-grouse conservation efforts.

I would like to know what is the status of finalizing the BLM's RMPs as it pertains to sage-grouse conservation?

Secretary JEWELL. Thanks for the question. To say the work going on on sage-grouse with States is unprecedented is an understatement. A phenomenal amount of effort on the part of States,

the BLM, U.S. Fish and Wildlife Service, and parts of USDA, to really orchestrate an understanding of these ecosystems in a way such that we hope a listing will not be warranted.

The BLM plans are in place and being finalized right now. The State plans are in different stages but also are being finalized. There has been very close cooperation between States, the BLM, and the Fish and Wildlife Service throughout this process.

You will see the BLM plans finalized this spring, and State plans are in different stages depending on which State.

Senator DAINES. Again, we have a couple of Senators here from Montana that will be curious about that plan. Will these plans mirror the stipulations in the Montana State plan?

Secretary JEWELL. I have not looked at the details of the Montana State plan relative to the BLM plans. I do know there has been close cooperation between the State and the BLM as these have been developed. I would not expect there to be radical differences as we have talked about with the checkerboarding, but that is something I will look into.

Senator DAINES. With the checkerboard nature of some of our lands in Montana, those sage-grouse do not know whether they are on a BLM section or State section or private section.

Secretary JEWELL. I understand.

Senator DAINES. We would just like to have the State have primacy there to get that all aligned on one plan that would reflect a lot of work going on back in Montana for the folks who are closest to the bird, and we all want to ensure we protect the sage-grouse and prevent the listing.

Secretary JEWELL. I understand.

LAND AND WATER CONSERVATION FUND

Senator DAINES. I would like to move over to LWCF. I want to thank you for recognizing the importance of LWCF to Montana in your budget. As a sportsman, someone that represents the men and women who enjoy the outdoors in Montana, it is very important back home.

In a State like Montana, we have a lot of public lands, about a third of our State. Are you aware of the number of acres of Federal land in Montana and frankly across the West that are inaccessible to the public?

Secretary JEWELL. A major part of our effort with LWCF is addressing that. There are private land holdings that sometimes prevent people from getting to the public lands, which are very, very important for sportsmen/women and anglers. There is actually a proposal in our budget to identify a portion of the LWCF money specifically for access, and I would say when we have an opportunity to use conservation easements for access as opposed to acquisitions, that could help make our money go farther.

We are definitely planning to do more of that, and it certainly is a big factor within your State.

Senator DAINES. Do you have a sense of what portion of the budget you might propose to be used for increasing access to both Federal and State lands? We have about two million acres in Montana right now that are inaccessible to the public.

Secretary JEWELL. I want to say \$8.5 million in discretionary funding specifically for access, and then there is another chunk in the mandatory proposal specifically earmarked for that.

Senator DAINES. All right. I think we all agree the LWCF is one of the important tools we have to increase access to public lands.

Secretary JEWELL. Absolutely.

Senator DAINES. Great. Thank you. By the way, I am glad to see some of the Montana projects on the list here this morning. We have the Trumbull Creek Watershed, we have a couple of projects at Beaverhead-Deerlodge. We look forward to working with you on that, Secretary Jewell.

COAL

Last, I would like to talk a little bit about coal. I want to thank you for accommodating the request from the State of Montana, from the Montana Delegation, Senator Tester and myself, to extend the comment period for the new coal valuation rule that was issued on January 6, 2015.

Last week in the Senate Energy and Natural Resources Committee in reference to the new coal valuation rule, you stated that the proposed rule will "Streamline and make the process more efficient, providing more certainty on the return which we will be getting for the American people."

I would like to perhaps better understand the basis of that assertion. I am hearing from stakeholders back in Montana that the rule contains ambiguities, uncertainties, which actually act as a disincentive to mine coal.

We are concerned with less coal produced. That is going to reduce royalty payments, reduce the taxes that coal companies pay, and it is going to add to the Federal deficit.

Secretary JEWELL. Thank you, Senator. The coal rules are a proposal. That is part of the benefit of the comment period, to hear comments for how people believe it is going to impact them.

We have been criticized from a number of different sectors for not getting a fair return for taxpayers on coal. When what we have been doing is criticized and ends up in court, that slows things down dramatically.

We are trying to put in place rules that identify a fair value for taxpayers that we believe will clear this up, but we welcome comments during the comment period on these coal rules, and if people feel there is a concern, we welcome comments on how to make that more streamlined.

Senator DAINES. Have you calculated the impact to coal production based on the ONRR rule, what that might be?

Secretary JEWELL. I have not personally. I am not sure if my team has. Mike, do you know?

Mr. CONNOR. I do not know.

Senator DAINES. As a follow up there, if we could take a look at what impact that is going to have in declining coal production, or is it going to increase it or decrease it. I would like to get a sense from the Department of the Interior of where you see that is headed.

Secretary JEWELL. If I can answer quickly, I know we are out of time. I will say that the regulations are only one part of an equation on whether or not a company chooses to go through that.

There are economics, global economics really at play. I am not sure how much we are going to be able to isolate as associated with our rule as opposed to the broader issues of a commodity, how it is priced, and what that does to the overall economics.

Senator DAINES. Thanks.

Senator MURKOWSKI. Senator Reed.

BLACKSTONE VALLEY NATIONAL PARK

Senator REED. Thank you, Madam Chairwoman. First, let me thank you for your extraordinary collaboration over several years. You did a superb job. I know you are going to do a superb job as chair of this committee.

You have a great partner in Senator Udall. In fact, much better than myself, I must admit. You did okay with me so you are going to do great with Tom.

Madam Secretary, thank you for your service, and Deputy Secretary Connor, thank you also. Let me start with an issue that is close to home, and that is the Blackstone Valley National Park. We are so pleased it was authorized last Congress. I understand there is about \$927,000 in the budget to start the process.

Could you tell us what you want to achieve, Madam Secretary, initially in terms of preparation and planning for the Park?

Secretary JEWELL. First, I want to say thank you very much for your advocacy of this special place. To say it was fun to kayak the river with you would be an understatement. It certainly opened my eyes into the history of our rivers and the history of the industrialization of the United States and how important that river corridor is.

The \$927,000 that is in the budget for park operations will really be around planning, understanding what the boundaries should be, understanding land ownership, what the priorities might be for the State and for the Federal Government with regards to filling out that over time.

We know there is an important historic story to be told there, and this money will help us plan for the future.

COASTAL RESILIENCE

Senator REED. Thank you very much, Madam Secretary. There is another issue, coastal resilience. We caught the tail end of Sandy, thank goodness, but it was still pretty devastating. With help, particularly help from the Department of the Interior, Sachuest is one of our national wildlife, and you were able to help us rebuild the road. Literally, it was cut off. It could not be used.

We still have a lot to do. I understand you have a \$50 million program that is going to talk about coastal resilience. Let me tell you, from someone in a coastal State, we had a great trauma with Sandy, but we know it is coming again, and this time it might not veer off to the right or left, it might come barreling in and be even more destructive. Coastal resilience has to be key.

Can you just again give us an idea of what you would like to do with this resource?

Secretary JEWELL. There is \$50 million in the budget, and it is lower than I would like it to be, but we think it is a step in the right direction, learning lessons from Sandy. We had \$100 million of the \$60 billion that you provided for Sandy, \$100 million of that within the part that came to Interior was used for competitive coastal resilience grants, and it worked so well because it was highly leveraged by local communities, it created collaboration with communities.

Some of that did go to Rhode Island. Understanding the impact of dredging and what that does to coastal resilience and how we rebuild those landscapes, being in Block Island, seeing the damage, even though through the periphery of the storm, there is no question this is really important.

It is a drop in the bucket. I would hope in the future we could learn lessons from Hurricane Sandy and recognize that we are on the firing lines as I saw in Kivalina, for other reasons, but related to climate change, and invest in advance of a catastrophe as opposed to after a catastrophe.

We learned from that storm that when we prepare our coastal communities and we use things like green infrastructure, dunes, as in the case in Block Island, and wetlands, as in the case of many places up and down the East Coast, that we will protect those communities.

We would welcome your support for this or even more.

Senator REED. Two other things. One is this is a much more efficient way to spend resources because we know when these storms barrel through and just obliterate beaches and homes, we will go back in and fix them, and that is billions of dollars, where if we could take proactive steps and much less than that to make them much more resilient, less exposed to these storms, we would be better off, and the point you raised about climate activity.

Not only are we getting more volatile storms, but we all the ocean level is rising. Every day it seems like there is another story about rising oceans, and that just complicates coastal preservation and coastal survival.

SEQUESTRATION

Thank you, Madam Secretary. A final point. I have the opportunity to serve as the ranking member of the Armed Services Committee with Senator McCain, my chairman. We both sent a letter to the Budget Committee indicating that sequestration would be devastating to defense, but the point has to be raised, it would be devastating to every department of the Federal Government.

Just looking from the center point of defense, without Homeland Security, without FBI, without the State Department, without the CDC for Ebola, et cetera, our national security is threatened. You cannot draw a line. We have to get rid of sequestration, and to your Department, too, with sequestration, you will not be able to perform basic functions.

I think your budget, the President's budget, recognizes this, and if you will, you might elaborate, if you would.

Secretary JEWELL. Thank you very much for pointing that out. We agree on a strong defense but we also recognize that a strong national economy is also critical.

When we went past sequestration last year, when we had a reasonable budget, we saw increases in the economy. As a business person, I know that it is crazy to operate a business without having certainty of what your budget is going to be.

We have put forward investments that we are confident will help grow the economy, will provide the certainty to businesses, and will take care of the assets that will help support our economy and our national security.

We do want to move beyond sequestration. That is in the President's budget. It does reflect his priorities. We do believe in a strong defense budget and we do believe in a strong non-defense budget, which is also essential, I think, for our Nation's security and our economic prosperity.

Senator REED. Thank you.

Senator MURKOWSKI. Senator Blunt.

NATIONAL PARK SERVICE CENTENNIAL

Senator BLUNT. Thank you, Chairman. Secretary, congratulations on getting the opportunity to launch the second hundred years of the National Park Service. It is a great time to reflect back on what the Park Service has been and what it can be.

I know in your request for money, just to focus on this anniversary opportunity to draw attention to the Park Service, a focus I certainly do not object to, one of your thoughts is private donations as part of that.

I have three questions I want to get to here in the next five minutes and 28 seconds. I will try to get that done.

DONATIONS

One is in the fiscal year 2015 omnibus bill, there was language included, report language, asking the Park Service to exercise maximum flexibility in recognizing donors. I just wondered if you would want to comment on your thoughts on that as we move forward, and particularly your thoughts on that even in the \$300 million request, looking for private additions to that.

Secretary JEWELL. Thanks for the question. I think there is uniform support from the Park Service and in the language that was reflected in the NDAA to give appropriate recognition to donors. There is no question we have high potential for donor money as seen in the Jefferson National Expansion Memorial, Gateway Arch, and the City Arch River Project.

Nobody wants to brand inappropriately, but we do think recognition is important. There is \$50 million in the discretionary budget and an additional \$100 million in the mandatory recommendation to match donations, which we think will take this great interest in supporting our national parks and spur it to even greater action.

Recognition for donors is going to be an important part of that, and that is something we are committed to doing.

Senator BLUNT. I agree. The St. Louis Arch Project that you and I both are very familiar with, nobody suggested neon lights or anything like that. I think people's desire to be able to offer some recognition when they are talking to donors, it is usually a recognition of a relatively modest impact.

Secretary JEWELL. Agree.

JEFFERSON MEMORIAL ARCH PROJECT

Senator BLUNT. I am glad you are looking at that the way you are. On that same project, Secretary, of course, the local input there to expand the Jefferson Memorial, the Arch Project, you have \$210 million in private donations, \$90 million in a new tax that the City of St. Louis put on itself for this process. The Park Service's budget is \$10 million, so \$300 million to \$10 million, clearly local people are leveraging this in a significant way, and by the way, there is also a Department of Transportation amount, \$45 million, so it is \$55 million total Federal dollars, only \$10 million Park dollars.

I just want to say that our ongoing discussions, I think, just continue to be better and better, and your team as well as you, understand if you are going to look at the second century of the Park Service in a different way, you have to truly look at it in a different way. You just cannot say we want it to be different and we want local partners, but by the way, we do not want the local partners with a 300 to 10 match to have any real say in the discussions.

I think we are getting there and I think your understanding of how important that is helps get there.

The one other question I want to ask on this, in that money, the Park Service has decided that the \$200 or so million of outside money needs to be paid to the U.S. Treasury under current law instead of putting it in a third party escrow account.

Local donors would love to see any income earned on that money go to the park itself, for maintenance and other needs. We have been talking to your staff about that. I think your staff is open to how to deal with this new idea of input of local money and how that money is used to benefit the project it goes for.

I wonder if you would just comment on your own views on that and what we can do to help you make it possible for those local funds to be truly focused on the local project.

Secretary JEWELL. I think as we enter this second century of the national parks, we are going to see more interest like you had in St. Louis of communities saying we do not want the visitor center that just the Park Service could afford on its own, we want something better, and we believe that can be good for the economy and good for our city, and that is exactly what your folks have done.

If there are things that get in the way of our ability to get private donations and use those efficiently and effectively, we could certainly work together on changing the law to update that.

The Park Service is working on a Centennial piece of legislation to clean up some of the things that get in the way of its ability to be as efficient and effective in its use of resources.

Having been to St. Louis and talked specifically about this Fund, I do not have an update on where we are, but I do know there were some legal reasons why they could not do what the community wanted, and I will see if that is something we can fix in the Centennial legislation.

Senator BLUNT. As I understand that, Chairman and members of the committee, I think the goal here would be to come up with some language legislatively, if there is no other way to do it, so that money can be invested in U.S. Treasuries or some other vehi-

cle that provides income for the project that is being donated to instead of just go into the U.S. Treasury and frankly not be used at all or invested at all, or if it is invested, to go to other purposes.

We are going to continue to work with the Park Service on that. I have a question I will submit for the record on Doe Run, which employs 1,500 people in Missouri, and how the Natural Resources Damages group and the Fish and Wildlife Service is relating to that. I will submit that for the record.

Thank you, Madam Chairman.

Senator MURKOWSKI. Thank you, Senator Blunt. Senator Merkley.

SECURE RURAL SCHOOLS

Senator MERKLEY. Thank you very much, Madam Chairman, and thank you, Secretary Jewell, for your testimony and your efforts to tackle so many significant issues across the country.

I wanted to start with the Secure Rural Schools Program, and thank you for framing in the budget a 5 year reauthorization with mandatory United States Forest Service funding.

I just wanted to emphasize that this is a partnership related to funds that the counties have foregone because of so many restrictions on the use of the O&C lands. There is a lot of work being done to try to work out sustainable production, environmental responsible production. That work is not yet complete. The counties are hurting greatly.

Thank you for including this, and we can count on your cooperation in pursuing this. Thank you.

WILDLAND FIRE

Turning to the wildfire side, which has been mentioned by a couple of my colleagues, the challenges. In Oregon, we have had an increase in the fire season of about 20 days over the last 20 years, the amount of acreage has increased. Right now we are looking at very, very low snow levels in the Cascades, which generally corresponds to much dryer forests in the summer. We may have yet another major bad fire season, if you will.

Beginning to treat fires as something that the entire Forest Service budget has not depleted in the course of fighting them, because it means we rob everything on the front end, forest health and fire prevention, so I appreciate this proposal, which says there will be a baseline funding but then when there is a terrible fire year, which we do not know yet if this year will be or not, it will be treated as emergency funding.

Can you just make a comment on why that is a logical way to go forward?

Secretary JEWELL. One percent of wildfires eat up 30 percent of suppression costs. When we have a bad year, we have to rob all our other budgets to pay for it. That means we are not doing prevention that reduces the risk of fire in the future.

There is no question that not doing prevention programs cost us more in the long run, and this is a very sensible program that says let's take the catastrophes and treat them as the catastrophes they are. Take them outside of the regular budget and put them in the

disaster budget so we can, year in and year out, manage our landscape.

Senator MERKLEY. When you rob those other budgets, does not work stop in those other key functions in the Forest Service?

Secretary JEWELL. It does.

Senator MERKLEY. That creates an enormous inefficiency and failure to pursue many of the goals that we have laid out in the budget.

Secretary JEWELL. It does. In fact, it is a downward spiral that facilitates longer, hotter, drier fires with the drought situation we have, so it just makes the situation worse.

KLAMATH

Senator MERKLEY. Thank you. I want to turn to the Klamath. We had a multi-year process of trying to work out an agreement between stakeholders, and those stakeholders include the fishermen, the Tribes, the ranchers, the farmers, so on and so forth.

They have set aside the decades and decades of water wars to work out a strategy, but that strategy requires us to pass a bill here to fund it, and a piece of that is for them to get back a piece of their Reservation that they lost when the Tribe was terminated in the 1950s.

There are two ways to do that, either through purchasing a commercial tract if it is available or regaining a share of the Reservation land that has now been converted into the Winema National Forest.

Can we count on your Department's support in trying to figure out whether it is Plan A or Plan B, but a successful way to address this piece of the puzzle?

Secretary JEWELL. Absolutely, you can count on our support to try to get this across the finish line. We know that the forest part of it is very important, and we are disappointed that the deal did not go through as expected.

You can count on us to work with the Tribe. You can count on us to work with the Forest Service to see if there is a solution that gets this done, because it is very, very important.

Do you want to make any other comments, Mike?

Mr. CONNOR. No.

Senator MERKLEY. Should we not succeed in doing it, it could be a catastrophe in many, many ways, for all of the stakeholders. We have had the worse ever drought in 2001 followed by the worse ever drought in 2010 and a terrible drought in 2013.

The ranching and farming community has agreed to many conservation practices that would mean the amount of water that is lost is greatly reduced. It is a win-win all the way around, and thank you.

Secretary JEWELL. Thank you.

SAGE-GROUSE

Senator MERKLEY. Turning to sage-grouse, my colleague from Montana has already mentioned it. This is across a number of western States. In addition to the \$15 million that has been allocated to try to develop specific strategies to enhance preservation of sage-grouse, there is additional funds, I believe, of \$4 million,

that are now in the Fish and Wildlife Service, and some additional funds for broader conservation of sage-grouse type or sage terrain, if you will.

Our whole goal in Oregon is to avoid a listing. You are coming out to Oregon shortly to draw attention to a particular valuable part of this puzzle. Could you share some comments on that?

Secretary JEWELL. Yes. In Oregon, you have a lot of private land owners, and they are very interested in supporting conservation efforts. It was an Oregon rancher who said what is good for the bird is good for the herd. That recognizes that a healthy sagebrush ecosystem is important to the ranching community as well.

In the State of Oregon, through the work by the State along with private land owners and the Fish and Wildlife Service, we have multiple candidate conservation agreements with assurances that will be signed that will provide certainty to those ranchers, that if they take the conservation measures they signed up for, should the bird be listed as threatened in the future, it will not change their practices.

We share everybody's common interest in getting to a point where a listing is not warranted, but these ranchers, by virtue of the actions they have taken, will be reassured they can continue their ranching practices through these agreements. We are really appreciative of the private sector in Oregon stepping up.

Senator MERKLEY. Are we starting to see a similar strategy emerge in some other States?

Secretary JEWELL. We are in a number of other States. We signed some similar agreements in Wyoming not too long ago, and we are encouraging other States to sign up as well.

Senator MERKLEY. I really celebrate this type of partnership between the goal of conservation and the practices of local ranchers. I must say those who have been signing those agreements have been telling me in town halls that they are sleeping a lot more easier. They are happy and pleased to be part of the conservation effort, but also to know they do not face some catastrophic loss down the road if the broader efforts are unsuccessful.

I know the chair has raised her concerns about the conservation strategies in Alaska.

Senator MURKOWSKI. The Senator's time has expired, if you could wrap up, please.

Senator MERKLEY. I am over time. Thank you very much.

Senator MURKOWSKI. Thank you. There will be an opportunity for a second round as well. Senator Tester.

Senator TESTER. Thank you, Chairwoman Murkowski, and Ranking Member Udall. I look forward to working with you guys on this committee. Thank you for being here today, Secretary Jewell and Deputy Secretary Connor. You are getting off easy today, Mike, and I am not going to break that here.

I think it was nearly a year right now that Secretary Jewell was out in Montana and we got to visit about issues that are important and they were reflected in your testimony, the importance to the outdoor economy or balanced energy development, or upholding our trust responsibilities for American Indians. I just want to thank you for the job that both of you have been doing in the Department of the Interior, I very much appreciate it.

We always look at Federal lands as to the highest and best use for those public lands, because they are very, very important to our economy.

I would just say not unlike the work that has been done on the Rocky Mountains front, I have to thank you personally for your work to protect pristine landscapes like the Arctic National Wildlife Refuge. I very much appreciate that. They do not make places—well, what we have is what we have, and if we destroy it, we will no longer have special places on this earth.

LAND AND WATER CONSERVATION FUND

I want to talk about the Land and Water Conservation Fund, too, because it is very, very important. You have already talked about access. I appreciate the dollars you have plugged into this program. I think it is money that will be paid back multiple times over.

The issue I have is could you talk about your vision for use of the Land and Water Conservation Fund? You have already addressed access. That is critically important. What other ways is this going to help further build a \$5.8 billion economy in the State of Montana and other States represented here?

Secretary JEWELL. Thank you, Senator Tester. In my old day job working in the outdoor industry, we recognized the necessity of public lands to a \$646 billion national industry, and certainly Montana feels that in a lot of its communities.

The Land and Water Conservation Fund facilitates transactions that actually help manage these lands much more effectively. As I spoke with Senator Daines, it is about access to resources, and much of that access can be provided through conservation easements. It does not have to be fee simple lands, but it helps align the interest of the private land owner with the public lands in a way that supports breadth and diversification of the economy.

I would also say there are some circumstances where costs are lowered by use of the Land and Water Conservation Fund. When we have an in-holding within a national park, for example, or in a wildlife refuge or in a critical migration corridor for animals, it costs us more to deal with that in-holding than it would if we actually owned that land.

The Land and Water Conservation Fund has been used in just about every county across the country. The stateside program is very important to local communities. In the eastern part of the country, there is a hunger for more public lands than we have because they see the economic engine that it provides to other parts of the country and they want to be a part of that.

It is one of the most successful programs we have ever had, one of the best laws passed by Congress, and we really appreciate your support and also reauthorization.

Senator TESTER. I would also tell you from a ranching perspective, they have used these funds very, very effectively in keeping ranches in the family, and I appreciate that. I also appreciate the fact that not only is it about hunting, fishing, bird watching, hiking and biking, and all that stuff. It is about recruiting businesses to places like Montana.

Secretary JEWELL. It is.

SUN HIGHWAY GLACIER NATIONAL PARK

Senator TESTER. We thank you for that. I want to talk about Sun Highway for a minute. We will get a little parochial here. It is in the middle of a rebuild. Can you give me an idea of what percentage is done? Well, if you give me what percentage is done, I can do the math on what percentage is left.

Secretary JEWELL. I do not have an update on that. Mike, do you?

Mr. CONNOR. I do not.

Secretary JEWELL. We will have to get back to you.

[The information follows:]

GLACIER NATIONAL PARK—GOING TO THE SUN ROAD

As currently planned, by the end of 2015 approximately 80 percent of the rehabilitation of the 50-mile historic Going-to-the-Sun Road will be completed. By the end of 2017, at current funding levels, the project is anticipated to be completed.

Senator TESTER. I would love to see when that is going to be finished. That is also a jewel for the American people.

Secretary JEWELL. It is beautiful.

ONSHORE ENERGY DEVELOPMENT

Senator TESTER. It is also \$1 million a day to that economy just in the northwestern part of Montana. I want to jump over to a question that Senator Udall asked about wells. Did you say you had 100,000 wells?

Secretary JEWELL. 100,000.

Senator TESTER. That you are doing oversight on right now?

Secretary JEWELL. That is right.

ONSHORE INSPECTION FEES

Senator TESTER. How much money did you put into that budget line item for well oversight? Has it been increased from the previous year?

Secretary JEWELL. I think the number is \$48 million, and that would be fees to industry to cover our costs. We have had this in the budget multiple times. I think there is \$41 million in our current budget for 2015, which was appropriated money.

Senator TESTER. I assume those inspections include making sure the well casing is adequate. Is there anything else that is being inspected?

Secretary JEWELL. We have a well in the State of Utah where we heard from people that were out in the outdoors that they saw oil in a creek. It turned out that well had been leaking for many, many years or a pipeline associated with that well, and we had not been out there.

It is about production and making sure the meters are working and the taxpayers are getting a fair return. It is about environmental inspections. Neither of those are being done adequately, and we are not able to do our job effectively without these resources.

Senator TESTER. First of all, I applaud your efforts on this, I think it is critically important. We just had a pipeline break in Montana that cost far more money than if we had proper inspec-

tors on the ground to take care of it, and we bumped that up. We plused those accounts up.

This is a big concern of mine and I will tell you why. I think drilling is important. I think it helps power our economy, but if we are screwing up water in the process, long term, we are making a huge mistake.

Do you think those funds are adequate that you presented for the inspection angle in this budget?

Secretary JEWELL. I think it is an important step forward. I cannot say they are fully adequate, but it is as much as we felt was reasonable to put in this budget in 2016.

COASTAL RESILIENCE

Senator TESTER. Thanks. I am going to close with just one thing. Senator Reed talked about coastal resilience, and you have \$50 million in that account, which is a drop in the bucket. We are going to spend \$3 billion in this election cycle on something that people hate to hear all the time on the t.v. I have to tell you, we have to redo our priorities in this country. It is ridiculous you do not have the kind of dollars you need to protect because of climate change, what is going on on the coasts of this country, and in Alaska, as you said earlier.

So, thank you very, very much.

Secretary JEWELL. Thank you.

Senator MURKOWSKI. Senator Feinstein.

DROUGHT

Senator FEINSTEIN. Thanks very much, Madam Chairman. Let me begin by thanking you, Mr. Chairman, of the Energy Committee, for what you helped with, with our number one problem, which was drought. Without you, I do not think that bill would have passed the Senate. I just want you to know that, and thank you very much,

Madam Secretary, and it is hard to call you Deputy Secretary, Mike, I want to thank you, and particularly Reclamation, for all your efforts to help with water supply. If you ask me what my number one issue is for the biggest State in the Union is, it is drought.

I just learned something very distressing ten minutes ago. As chair of the Energy and Water Subcommittee, I was able to get in the omnibus \$50 million for western drought. I think you spoke about it, Madam Secretary, when you were in California with the Governor. I just learned that it is not being continued this year.

I just want you to know that is really a serious concern for me because the situation is no better. If anything this year, it is going to be worse. Our snow pack is at 19 percent of normal. The reservoir levels are all very low. There is only one that is at 60 percent.

The Bureau just told Federal water contractors that they will be receiving no water allocation for the Central Valley Water Project for the second year in a row, and we all know that fish, wildlife and refuges are suffering as well.

I am deeply concerned, and given these conditions, the last time I talked to the Deputy Secretary, we talked about what could be

done to operate the pumps with the kind of flexibility that did not violate any Endangered Species Act, any Clean Water Act, any biological opinions, in other words, really adaptive management by the day, using the pumps from what we have learned from science.

I have a question. Is everything being done that can possibly be done now? Is there anything else that you can think of that can be done to improve water supply?

Secretary JEWELL. I am blessed with a Deputy Secretary that is immersed in these issues. Pardon the pun. I am going to turn it over to Mike to answer.

Mr. CONNOR. Thank you, Senator Feinstein, for the question, and thank you for the leadership and resources provided in the \$50 million of drought funding, and the funding even beforehand, which I think has really enhanced our abilities to implement strategies that are along the lines you stated, adaptive management.

We have a couple of biological opinions that control our pumping operations, both the Central Valley Project and State Water Project. Those biological opinions for the last couple of years, we have gotten increasing flexible in adjusting those, given the drought conditions, the emergency conditions, to try and increase pumping even above the limits that were first established in those biological opinions, and we do it because of the resources we have applied towards monitoring data collection and day to day operational management.

We have better strategies. We have more flexibility with respect to our water quality permits. We just do not have any precipitation. Those strategies are really geared towards making use of the high flow events, and we had one high flow event earlier, in February. Now, we are kind of past that and we are getting down to very low flows in the Delta.

As you mentioned, given the lack of reservoir levels, we are at the lowest levels since 1993, and 1993 was an above normal year, so it picked up then. We are just stressed on all levels.

A couple of years ago we did an exchange with Metropolitan Water District and got 100,000 acre feet more for the Central Valley, but we cannot do that this year because they are stressed because the Colorado River has also been in drought for the last 15 years. Now, some of the excess supplies they have had are not there.

Senator FEINSTEIN. That is why, if I may say, we have to get that \$50 million for western drought, which does not only affect California, it affects all the States on the Colorado, too.

Mr. CONNOR. Absolutely. You can see the two systems affecting each other right now. The options are tough to figure out. We need to continue to look and adaptively manage and see if we cannot increase some supplies from our existing operations, but we are losing flexibility in the system, both with groundwater, as you know, which is reducing fast, and our other basins that we can move water over from.

Senator FEINSTEIN. What you are saying to me is there are no more things that you can pull out of your hat, essentially, because of the dismal lack of water.

Mr. CONNOR. It is getting tougher and tougher.

FEASIBILITY STUDIES

Senator FEINSTEIN. Okay. Let me move on to feasibility studies. California has now passed a bond issue for \$2 billion for a dam. I know you have been focused on these feasibility studies. Where are we with respect to Shasta undergoing final executive review? I understand it is "very close to completion." Can you give us a date for finalization?

Mr. CONNOR. I cannot give you a specific date on finalization for Shasta right now, but I think it is within the next month or two, and as soon as we understand when that can be completed, we will let your office know. We are very close in completing that study.

Senator FEINSTEIN. Temperance Flat. Commissioner Lopez said the technical work is on track to be completed by July 2015. Will it stay on track?

Mr. CONNOR. It will stay on track. We will still have to complete the technical work so we can get to the final feasibility study. Everything is out in draft, as you know. We will still have to go through the same review process within the administration. There is always a little uncertainty as to timing at that point in time.

We have projected completion of the technical studies this summer, moving towards finalizing it and getting it out by the end of the year. We are going to try to stay on track to do that.

Senator FEINSTEIN. Sites. I had the privilege of meeting with the Joint Powers Authority to complete a project management plan. I was very impressed with it. It was scheduled to be completed at the end of February. Was it completed?

Mr. CONNOR. I do not know the specific answer, whether they wrapped up those discussions. I can get back to you on the record with that.

Senator FEINSTEIN. Okay.
[The information follows:]

JOINT POWERS AUTHORITY PROJECT MANAGEMENT PLAN

A meeting was held with representatives from Reclamation and the Sites Joint Powers Authority (JPA) on February 3, 2015, to discuss options for completing the feasibility study. It was agreed to develop a project management plan and cost share agreement to specify roles and responsibilities and a related schedule and budget as a basis to secure funding and develop and evaluate the potential effects of additional operational alternatives. It should be noted that Reclamation does not have the financial resources to conduct further study unless or until additional non-Federal cost shares are available consistent with non-Federal cost share requirements. Sites JPA expects that JPA and/or investor funding will be available later in 2015 to contribute to remaining study costs. The project management plan will include major decision points and milestones to support go/no-go decisions as critical determinations emerge regarding the type and extent of Federal and non-Federal interests in a potential North of the Delta Offstream Storage project.

Senator FEINSTEIN. This is very important because there are a lot of people that know, who think that Sites may be the best alternative. I do not know that. I know it is the most costly, and that concerns me. I really think we have to get this quickly to be able to evaluate it completely.

Senator MURKOWSKI. The Senator's time has expired.

Senator FEINSTEIN. Thank you very much, Madam Chairman.

Senator MURKOWSKI. Senator Leahy.

LAKE CHAMPLAIN

Senator LEAHY. Thank you very much, Madam Chairman. Secretary Jewell, I have to thank you for all you have done at the Department. I sometimes think you have cloned yourself because you have to protect our natural resources and you have to manage them. Sometimes that may seem at odds with one another as you protect special places, not just for us but for next generations after, and how you facilitate development and extraction of natural resources.

Over my 40 years here, occasionally parochial questions will be asked. Your Fish and Wildlife Service and U.S. Geological Survey staff in Vermont work very hard to address water quality, the ecological challenges in Lake Champlain, and outside the Great Lakes, it is the largest body of fresh water in the United States, they work with USDA on wetlands and wildlife conservation projects, and work with the Great Lakes Fisheries Commission, and so on.

A concern I have is that the EPA has requested a dramatic cut in funds for Lake Champlain compared to the fiscal year 2015 spending level, so creativity becomes far more important.

We saw Lake Erie when it was not protected, it became so polluted, the river caught fire. It took two or three days to put the fire out.

I know you are going to be on the shores of Lake Champlain soon and I look forward to that. Will you work with me to dedicate as many resources, and I know resources are limited, but as many as we can to address water quality, invasive species, climate driven challenges that we have in this huge body of water?

Secretary JEWELL. Senator, I certainly cannot weigh in on the EPA side of the budget, but we do have significant money in the budget particularly for invasive species around Lake Champlain. I am very happy to continue to work with you to understand those issues perhaps as I am up there in a week or two, to even deepen my understanding and to work with you on whatever resources we can bring to bear.

Senator LEAHY. We will probably inundate you with all kinds of things. Lake Champlain means a lot to us. This has been a non-partisan issue in Vermont. We have had Republican Governors, Democratic Governors. We have worked with New York State. We have worked with the Province of Quebec to protect it.

MISSISQUOI AND TROUT RIVERS

We also have constituents in Vermont where we call the "North-east Kingdom," my wife was born there, my mother was born there, I am well aware of it. One of the final acts of the 113th Congress was to approve legislation designating over 46 miles of the Missisquoi and Trout Rivers in Vermont as wild and scenic. The Department moved quickly to request resources for these Vermont rivers, through the Park Service, in the 2016 funding request.

What motivated the National Park Service to request funding so quickly? I am not complaining. I am glad they did. What motivated the Department?

Secretary JEWELL. I cannot speak specifically to what motivates the Park Service to put different things in the budget other than

they prioritize their resources based on the areas they feel have the greatest need and the greatest potential. I have to assume that is the case there.

Senator LEAHY. Will they work at promptly implementing these new Vermont wild and scenic designations?

Secretary JEWELL. Yes, they will.

NORTHERN LONG-EARED BAT

Senator LEAHY. Thank you. I started raising years ago the question of what has happened with white-nose syndrome, putting money into various budgets on it. I was teased a little bit that I might be worried about Batman or something. It turns out if we lose these bats, it is going to cost our farmers in a whole lot of States, 25 States, billions of dollars in pesticides and everything else, as well as ecological problems.

If the Fish and Wildlife Service lists the northern long-eared bat as threatened, what kind of support can we continue to get on conservation measures that will protect habitats? I wish I knew the answer on this. What is happening with the bats is creating a huge ecological problem to half of the continental U.S.

Secretary JEWELL. Senator, first, I want to thank you profoundly for raising awareness about white-nose syndrome and bats early on, and providing the kind of support we needed to study this. We do not have an answer yet, but we have the U.S. Geological Survey and Fish and Wildlife Service and others working hard on trying to come up with a solution.

The northern long-eared bat in specific has been really decimated in the East, and the problem is marching West. The Fish and Wildlife Service preemptively produced what is called a 4(d) rule to provide guidance on measures that could be taken to protect the remaining habitat, even though the threat to the species is white-nose syndrome, for those that survive and are threatened. They need good habitat to be able to recover.

They preemptively put that out there for comment and are taking comment on that. That will help provide the kind of certainty to the logging industry, to the oil and gas industry, and to other industries about what is needed to try and prevent a catastrophe here, which we are well on the way to seeing because of white-nose syndrome.

Senator LEAHY. Thank you. Senator Murkowski, just on a personal level, I have pestered you with photographs of our home in Vermont and hundreds of acres. We have a quarter of a mile up on our land behind our house where there has been for decades a bat cave. In the early evening, we would sit out on our front lawn. The bats would come out and there would be no mosquitos. It was just wonderful. The bats have disappeared. Now we get pestered by mosquitos.

That is just a personal discomfort. Think of the farms that have thousands of acres of crops growing, bugs and pests that are normally kept in check by the bats, now they are not. We have a real problem.

I applaud the Secretary for keeping this on the Department's priorities. It means a lot. Thank you.

Senator MURKOWSKI. Senator Leahy, I do not know, maybe there is a correlation. Alaska's mosquitos are legendary in their size. We do not have many bats up there.

Senator LEAHY. We use fly swatters. I remember Ted Stevens told me they use baseball bats in Alaska.

Senator MURKOWSKI. They are real.

Senator LEAHY. There are aspects that are humorous. It was amazing when we started looking into this and realizing, and all of a sudden we started to hearing from other States. This is costing them a fortune in either crops lost or pesticides, if you are trying to raise organic farms, that creates a problem.

Anyway, thank you very much. Thank you, Madam Secretary.

Senator MURKOWSKI. Thank you, Senator Leahy. I am told the vote has been pushed back a few minutes so we will have a little more time. I know I have more questions and hopefully my colleagues will as well.

KING COVE

Secretary, I do want to make sure I correct the record. I noted in my opening comments that since the last time we were together in a hearing, there had been two Medivac's from King Cove, and one had been Coast Guard Medivac. I stand corrected. The information that I have received is on the 24th of February, there was an individual, a 50-year-old man from California, who was having a cardiac emergency there in King Cove. The Coast Guard was requested to come because of weather, the private Medivac was not able to get in. The Coast Guard said they could not come. They had other emergencies they were attending to. The individual, fortunately, was able to be stabilized and he went out the next morning in a private Medivac.

I think it speaks to the issue that we cannot always count on our Coast Guard to be the Medivac. That is not their mission set. That is not what they do. Fortunately, they have been there to help with life saving efforts in the past. It speaks again to the need, the very direct need to address the situation in King Cove, to provide a life saving road to folks.

ARCTIC

I wanted to ask a follow up to the question regarding funding for the Arctic that I presented in the Energy Committee. I mentioned to you that under the implementation plan that the administration has for the national strategy for the Arctic region, that DOI has oversight or lead for five different projects, as well as being designated as the supporting agency.

What I would like to get from you, Secretary, is an individual or a point of contact that we can be working with on these Arctic initiatives, whether it is what you are doing with the integrated Arctic management implementation plan or the invasive species project.

I am moving forward with an Arctic initiative. You are going to be invited to be part of the Arctic caucus tomorrow, having an opportunity to speak on the Floor about what it is we need to do from a legislative perspective. The administration is obviously moving

forward with multiple directives as we advance toward the Arctic Council.

One of my frustrations has been with every agency having a little bit of a piece of it, there is nobody that really has that ownership. I am looking for that point person within your Department, whether it is all the way up to the top to you or whether you have a deputy secretary or somebody underneath. I would like to know that we can work with them to determine how we are coming with these benchmarks. If you could provide me with that, I would appreciate it.

Secretary JEWELL. Just quickly because I know you probably have other questions you want to ask, Tommy Beaudreau, my chief of staff, who you know, is my point person on Arctic issues. You already know Tommy, so I would direct you there.

I would also say we have detailed a full time person over to the State Department to coordinate our efforts with theirs, because they are the lead role on the Arctic Council. Across a number of our Bureau's, there are investments in the Arctic specific to the five areas we are responsible for for the Arctic Council. We are happy to identify each of those for you, but Tommy is probably the easiest focal point for you to work with.

Senator MURKOWSKI. I appreciate that. He is very, very conversant in all these areas, I appreciate that.

TRIBAL COURTS

Let me ask about Tribal courts and funding. Last year in the 2015 omnibus appropriations bill, we included some language that directed the BIA to work with the Department of Justice to issue a report on the budgetary needs of Tribal courts in Public Law 280 States.

I am very concerned that we get no funding from DOJ within BIA for our Public Law 280 States, of which Alaska is one. I brought this issue up with Assistant Secretary Washburn last Wednesday when we had a hearing in Indian Affairs. I wanted to know the status of the report, because the report is due in June.

His words were "We do not have a report for you yet, and actually, the report is not required by law, we understand it was not in the bill, so there is no legal requirement for that report. It surfaced on my radar screen only fairly recently."

That concerns me because when something is included in our annual spending bills, whether it is in the bill or in report language, we expect that both the letter and the spirit of the law is going to be adhered to. He knows this is a big priority. I want you to know that this is a big priority for me, certainly for my State, and really all the Public Law 280 States.

Mr. Washburn indicated that he was going to work on it, but I need to know there will be a commitment from the Department that there will be a report issued by the June 14 deadline that details these budgetary needs.

Secretary JEWELL. We will certainly work with the subcommittee to follow the directions in the explanatory statement.

GREATER MOOSES TOOTH

Senator MURKOWSKI. Great. Thank you. I appreciate that. Let me speak a little bit about where we are with Greater Mooses Tooth and the Secretarial Order on mitigation. You know I have expressed my frustration on the mitigation requirements that are associated with the GMT permitting process.

We have had discussion. I recognize mitigation is an important tool, but what I am concerned about is that we are perhaps moving in this direction of pay to play. I do not think that is where we should go, and I hope that is not where the Department is intending to go.

It appears that companies that have deep pockets and pretty considerable investments face some requirements that may be tangentially related, maybe not even related at all, but requirements that could harm their operations as they impose a condition on permits.

We have talked about where we are with Greater Mooses Tooth and the mitigation. I understand we have ratcheted that number down, which I think was important, but I am concerned about how we go forward with these mitigation requirements.

That perhaps with Greater Mooses Tooth and what Conoco has faced there in this process is going to be formalized and perhaps exported to the Lower 48, I do not know, by way of the Secretarial Order, Secretarial Order 3330 on mitigation.

We saw as with Greater Mooses Tooth Unit 1 (GMT1), that the Department is free and able to accept voluntary mitigation efforts as part of the permitting process, but I would like to know what you believe the legal justification is for the idea that you have authority to require them to make a payment into a mitigation fund in order to authorize what would otherwise be a permissible activity under the Federal Land Policy and Management Act (FLPMA).

I am trying to understand where we go forward from here, because the great concern, and you know because you have had these conversations, as has Tommy Beaudreau, the concern is what is the precedent of this going to be, what happens going forward.

Secretary JEWELL. Senator, I am going to speak in broad terms about mitigation, and then I will turn it over to Mike because he was right in the thick of the discussions with ConocoPhillips around Greater Mooses Tooth in specific.

First, mitigation is not new. When I wrote the Secretarial Order on mitigation, it was to say let's look broadly as we develop, for example, as we look at developing the California and Nevada deserts for renewable energy, project specific mitigation on site may be less important to addressing the mitigation issues than looking more broadly on a landscape scale.

In the California desert, for example, with the renewable energy permits we have done, we have done some landscape level mitigation, for example, setting aside desert tortoise habitat, buying conservation easements and land to address the impact of those solar farms on the desert tortoise.

Mitigation is not specific to oil and gas, it certainly is not specific to the project you referenced. It is something that we have done all along and what we are trying to do is say let's make sure that miti-

gation money is put into the projects that are most important to address the issues this development impacts.

In the case of Greater Mooses Tooth, we are within a setback for Fish Creek, and there will be a gravel road that goes through to that development, and it will have impacts on the subsistence and food security of the people.

The mitigation addresses the ability for the company to work with the village and others impacted by that to put that mitigation money into the most affected areas.

Mike has been working on that in specific. Is there anything you want to add?

Senator MURKOWSKI. If I can just give you a little direction here, in terms of the different mitigation ratios that are out there, part of what we are dealing with, I think, is the uncertainty to the operator, what will be required.

It seems to me there is a potential for a great deal of subjectivity here with what these mitigation ratios may or may not be.

Mr. CONNOR. I understand the concern, Chairman Murkowski. There is no specific mitigation ratios that were used with respect to Greater Mooses Tooth. I know with respect to Army Corps permitting and wetlands impacts, there is a ratio that is applied, and we have certainly looked at that, but there is no ratio that has been specifically applied here.

What we did with respect to Greater Mooses Tooth was there were impacts overall from the project that were identified, particularly to subsistence resources. Some of those were mitigated with the project itself, and always our goal is to avoid impacts, minimize impacts, and then compensate for the remaining impacts. That is the approach we took with respect to Greater Mooses Tooth.

There were impacts to subsistence resources in general, and there were specific impacts, as the Secretary alluded to, from the final decision that we made to intrude upon the Fish Creek setback. That setback had been identified in planning documents for some time, including the 2012 integrated activity plan.

Really, when we went to ConocoPhillips, in our mind, we had an objective, rational basis to request some compensatory mitigation. They took issue with the size of that.

We had a discussion and we came to an agreement with ConocoPhillips as to the level of compensatory mitigation, and most effectively, how to use those dollars to develop a regional mitigation strategy with ConocoPhillips, BLM, and the Alaskan Native entities that are affected, to put together how to best mitigate those impacts on subsistence resources.

I think that is viewed as a good approach. That is not BLM making decisions unilaterally about how to move forward in that mitigation strategy. I think we have a good result, and that strategy will help us facilitate future projects as we move forward.

I want to assure you that the specific mitigation for Greater Mooses Tooth was focused on the impacts we saw with that development itself.

Senator MURKOWSKI. Again, I will repeat myself here, the fear, of course, is that rather than creating efficiencies, what we may have developing here is additional unpredictability, lack of clarity

in terms of where you are going with the project that deters investment, that really can derail a project.

I think what we are trying to do is avoid what would be viewed as surprise requirements or requirements that come up at a later point in the process, where you have a company that has invested millions of dollars into it already, and they are looking at a situation where because of these requirements that had not been anticipated or anticipated to the level that perhaps the agency was, that they actually have to revisit that project.

Those are exactly the conversations we were having with ConocoPhillips, who were saying we have invested millions in this, and are we going to have to pull the plug on this because of where we are.

I am a little more optimistic now today where we are with GMT1 than I was a month ago. I think it is important to state very clearly that the concern and the anxiety up north is this is GMT1, what is the next project going to hold, what will the precedents be. We need to know there is a level of transparency that is fair and equitable.

I have long exceeded my time, and I need to turn to my ranking member.

NEW MEXICO MONUMENTS

Senator UDALL. Thank you, Chairman Murkowski. Just a quick question on our New Mexico monuments, Secretary Jewell. You have been out and seen them and assisted with their establishment, Organ Peaks and Rio Grande Del Norte.

I noticed the President's budget proposes a significant increase of \$16 million for monuments throughout the country, what are BLM's plans for moving forward with management changes on the new monuments in New Mexico, and what funding is included in the President's budget for these monuments, and how will those funds be used?

Secretary JEWELL. I am going to address the first part while Mike takes a look through the book to come up with the actual numbers.

First, in any new national monument, our first approach is to make sure we plan, we understand the resource, we work with local folks, and that is where these first steps are. Some of that involves where can we leverage existing resources, where can we work with other partners?

That planning effort is going on, along with making sure we are working along side those existing landowners and land uses within the monuments so they are reassured.

Specific numbers, Mike, do you have it? Go ahead.

Mr. CONNOR. Senator, overall, as you mentioned, there is a bump up in the BLM national conservation lands account. We have \$4.4 million allocated to New Mexico, specifically \$2 million to Organ Mountains-Desert Peaks, and \$1.5 million to Rio Grande Del Norte. They will be used for visitor services needs, basic security, starting partnership programs, those fundamental aspects that are key to those people enjoying those monuments.

Senator UDALL. Thank you very much. Thank you for your testimony. Thank you for your service. I just want to say to the chair,

you and Senator Leahy talked about the mosquitos. My experience has been in a lot of western States, if there are a lot of bugs and a lot of mosquitos, the fishing is great. I do not know whether that is true in Alaska. The more bugs, the better the fishing. You have to endure it, but it is always enjoyable.

Thank you. I see Senator Cassidy has come, so I am going to yield back any time I would have.

Senator MURKOWSKI. Thank you, Senator Udall. I will note that we do have a vote, but I want to let Senator Cassidy go. Welcome.

Senator CASSIDY. Thank you, Senator Murkowski, and thank you, Dr. Jewell, for your phone call the other day, very gracious.

We do have a vote. I am going to ask one question and then submit the others for the record.

REVENUE SHARING

The last time we spoke, my concern was the budget chooses to take away dollars from the Gulf Coast States, and your reply was that it was a Federal resource and really beyond the control of the State. We made a case that the states have disproportionately borne this.

That said, I am told that recently you stated that states in the Atlantic will have a chance to pull themselves out of the running for possible Federal approval of offshore drilling. In that case, you are giving the states control over what in the Gulf Coast is stated to be a federally controlled interest without the states having any say so.

How can you in a sense reconcile the two? On the one hand, I am on the Atlantic and I do not want to develop, Federal taxpayer be gone with you because I have control. On the other hand, in the Gulf of Mexico, if I am the people of Louisiana relying on those dollars to rebuild my coast line, sorry, we are the Federal Government and we have complete control and you have no stake.

I do not see how you reconcile those two.

Secretary JEWELL. Senator, thanks for the question. I appreciate your passion for the State of Louisiana. Let me give you a simple example, and that is Florida. Florida is on the Atlantic. It is also on the Gulf. Florida has made it very clear to our Department that they do not want to see—

Senator CASSIDY. If I may—

Secretary JEWELL. Let me just finish, if I may. That is input in advance of our draft proposed plan for the five year drilling plan. There are several states in the Atlantic that have said we would like you to consider a lease here, and there are several States that have not. The Pacific states have said we do not want to be in—other than Alaska, of course.

We have moved to honor the interests of those states as we take limited resources and focus them on the areas where the states do want Federal offshore leasing because of the economic activity it does drive to their states.

Revenue sharing as you talked about with GOMESA is an element, but there are many other economic activities that occur on the shore lines by virtue of the Federal offshore oil and gas activities, and I think that is resulting in some of the Atlantic states

saying we would like to be included. There are many more bites at that apple on the Gulf lease sales.

Senator CASSIDY. Thank you. As I gather, I think you just supported my contention. If you are going to say listen, the states have the option to pull themselves out and we recognize they have an interest, and we are going to honor that they have an interest, et cetera, than in the case of the Gulf of Mexico, it is not as if we have an interest, rather, we must do exactly what we are told.

I am not sure it is reconciled any other way.

Secretary JEWELL. Senator, the point I am making is development of the Outer Continental Shelf, which is a Federal resource, already supports the economies onshore for many of those states.

Senator CASSIDY. That is a different issue, so the development of the Outer Continental Shelf has borne some role in the dissolution of Louisiana's coast line. That is actually a separate issue.

The primary issue is that in this case you say the State can effectively control access to the revenue associated with drilling in the Outer Continental Shelf, but in the case of the Gulf Coast states, you do not have control over this revenue, because denying access to drilling in the OCS off these states is effectively denying access to the revenue.

So, okay. You control the revenue on behalf of the Federal taxpayers, and in these states, however, you have no control over that revenue. We consider it a Federal dollar, and we are going to distribute it elsewhere.

We have a call for votes, and I promised I would be short. I do think your answer supports my contention that the State is the one which should have a role. You have established the precedent really in allowing them to deny the Federal taxpayer access to the revenue derived thereof.

Thank you very much.

Secretary JEWELL. Senator, may I have a response?

Senator MURKOWSKI. Very briefly.

Secretary JEWELL. I just want to say that I do not think my comments are any different than what I stated, the Gulf Coast States, with the exception of Florida, have said we want you to continue to lease the Outer Continental Shelf, and we are, and we are doing it twice a year.

Some states have said we do not want leasing, and they have been excluded from the plan.

Senator CASSIDY. The issue is not the lease, the issue is the revenue derived thereof. That is really what we are talking about with the GOMESA revenue sharing. That is where I think you in the one case allow the State to deny the Federal taxpayer the revenue, and in the other State, you say no, you cannot deny the Federal taxpayer the revenue. That seems to be the inconsistency, not the leasing, per se.

Secretary JEWELL. I do not believe I am being inconsistent.

Senator MURKOWSKI. Senator Cassidy, know how much I agree with your concerns here and know that the issue of revenue sharing, fair and equitable revenue sharing, from our Outer Continental Shelf areas, is going to be a priority of mine.

I do think as we look at this budget and areas where I think the administration is just way off base is exactly what they have done

with the GOMESA revenue sharing, the agreement that was made to pull back on that, I think, is just wrong.

I think it is going to be important to make sure that we have a level of revenue sharing where those states, those coastal states, that host economic activity off their shores, their coast lines, are fairly compensated.

I mentioned the issues of the Arctic and whether it is an emergency evacuation route for a community like Kivalina or how we are going to fund a deepwater port for Arctic activities, I look to revenue sharing and increased production in our OCS as being that way we will be able to fund these vital priorities.

It is pretty tough trying to find the money under rocks onshore right now, particularly on our Federal lands. This is a priority of mine and I look forward to working with you on that.

ADDITIONAL COMMITTEE QUESTIONS

I think they have probably closed out our vote, so I hate to wrap it up when we are having so much fun.

Senator CASSIDY. Thank you.

Senator MURKOWSKI. Secretary Jewell, thank you for being here, and Deputy Secretary Connor, thank you.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. SALLY JEWELL

QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

Question. I have some concerns over the process associated with access to public lands for purposes of filming and have heard numerous complaints about people having access to our public lands in this regard. Most of the criticism is associated with issues on forest lands; however, it is an issue in National Parks and on the Bureau of Land Management (BLM) lands as well.

I am concerned that the law on commercial filming that Congress passed back in 2000 is being misconstrued and applied in a way to potentially restrict or outright deny access—certainly that is the case on Forest Service lands. It is my understanding these are not large movie scale kinds of operations but 1, 2, or maybe 3 people with cameras or hand held video camera equipment who do not disturb the landscape. In some places people are being allowed access and in some areas they are not leaving folks quite frustrated.

What activities do the Park Service and BLM consider “commercial” for purposes of issuing permits under the law?

Answer. The Department of the Interior (DOI) issued regulations on August 22, 2013, (43 CFR PART 5) to implement the commercial film rule in Public Law 106–206. While the Department of Interior’s regulations adopt a broad definition of commercial filming, there are exceptions which ensure the permitting and fee requirements do not impose an unreasonable burden.

Under the regulations, commercial filming includes the “film, electronic, magnetic, digital, or other recording, of a moving image by a person, business, or other entity for a market audience with the intent of generating income. Examples include, but are not limited to, feature film, videography, television broadcast, or documentary, or other similar projects. Commercial filming activities may include the advertisement of a product or service, or the use of actors, models, sets, or props” (43 CFR § 5.12). While commercial filming activities are generally required to obtain a permit, most still photography is exempt from this requirement unless: (i) it uses a model, set, or prop; or, (ii) the agency determines a permit is necessary because a proposed location is in a closed area or the agency would incur costs for providing oversight. Practically, this means, for example, that a photographer shooting an engagement photo in an area otherwise open to the public without any props would not need a permit even though he or she was presumably getting paid. The other important exception relates to news gathering activities. They do not require a per-

mit unless: (a) one is necessary to protect natural and cultural resources, avoid use conflicts, ensure public safety, or authorize entrance to closed areas; and, (b) getting one does not interfere with news gathering (43 CFR 5.4(a)).

The requirement that other commercial activities outside of these exceptions obtain a permit is consistent with Public Law 106-206, which directs Federal land management agencies in DOI and the U.S. Department of Agriculture (USDA) to collect a “fair return” for the use of the lands they manage. With respect to smaller groups that are required to get a permit, the recently issued fee schedule establishes a sliding scale linked to a group’s size.

Question. What are the fees for individuals to get a permit for filming on Park or BLM lands? How long does it take? What sort of paperwork is involved?

Answer. Only individuals or groups required to obtain a BLM permit are subject to a fee requirement, which includes two pieces. The first is cost recovery to reimburse the Government for the cost of processing their application. This is determined by the number of hours it takes to process the application. Cost recovery for a typical permit taking 1 to 8 hours to process would be \$121. Cost recovery fees are updated each fiscal year using the GDP/IDP index for inflation (43 CFR § 5.8, 43 CFR 2920.8(a) and (b)). In addition to cost recovery, individuals must also pay a location fee based on the type of filming (still or motion), the number of people involved, and the number of days. Location fees vary by State and group size and were established using statewide appraisals. Fees range from \$100 to \$250 per day for commercial still photography and \$250 to \$600 per day for commercial filming of live action depending on the number of people.

Processing times vary from a day or two to several weeks depending on the complexity of the production operation, whether the location is a popular area, and whether the National Environmental Policy Act (NEPA) has to be completed before filming can begin. The processing time also depends on the potential for impacts to other resources or activities, and the availability of BLM personnel to process the permit. On public lands, the BLM works with applicants to find alternate locations for filming activities if the location selected initially presents unique management challenges.

The permitting process and items needed vary depending on the location chosen and the type of filming proposed. The BLM works with film crews to ensure they are aware of the requirements specific to their request. To apply for a permit on public lands, film crews must complete Land Use Application Form 2920. They must also prepare a Detailed Description of Filming Activity form and provide a map showing the specific location(s) requested. Depending on the location, time of production, and type of production, additional items may be required, such as a bond or reimbursement for overtime costs. Bonds may be required to assure reclamation of sets or sensitive locations as appropriate.

The National Park Service (NPS) uses two applications for commercial filming and still photography—a short form for small crews with minimal equipment, and a long form for more complex proposals. Contingent on the complexity of the request, a short form may take as little as 2 days to be processed, while a request involving large crews, more equipment, and unique activities such as pyrotechnics, may take several weeks. Permits are subject to cost recovery charges and location fees. Cost recovery charges are based on the actual costs incurred in accepting the application, processing the request, and facilitating the permitted activity once approved. Location fees are based on a schedule developed by the NPS, Bureau of Land Management, Fish and Wildlife Service, and Forest Service. The schedule ensures consistent location fees between the agencies for similar activities. Fees are determined by the number of people involved with the permit and the number of days the activity is on Federal lands.

Question. How do the requirements for individuals or small groups (less than five compare) with the large Hollywood style operations?

Answer. On BLM public lands, smaller operations typically pay reduced application processing and location fees. Their applications are also likely to be simpler to prepare and process because less information would be necessary for activities that are smaller in scope. Larger operations (e.g., a major motion picture shoot) routinely require a bond, an onsite filming monitor, and additional permit stipulations that would not typically be required for smaller film crews. Large productions and requests to film outside popular locations will also usually require an onsite pre-application conference with the relevant BLM personnel.

The NPS uses two applications for commercial filming and still photography—a short form for small crews with minimal equipment, and a long form for more complex proposals. Commercial video crews of three people or less can be issued a permit for an extended period of time, usually up to 1 year, with authorization for unlimited access to areas of the park open to the general public. Fees are determined

by the number of people involved with the permit and the number of days the activity is on Federal lands. Small groups do not necessarily require on-site monitoring. Proof of insurance would be required of all commercial filming, though larger operations and operations with certain special effects would be required to carry higher amounts.

Question. How do the agencies ensure fair and consistent application of the law?

Answer. In order to ensure consistency among Bureaus, the Department of the Interior issued regulations on August 22, 2013, (43 CFR PART 5) to implement the commercial film rule in Public Law 106–206. Taking into consideration comments received from the public and industry and trade groups during the rulemaking process, the agencies developed a location fee schedule for use by all agencies to ensure consistency and that regulations were well-defined.

Question. Would the Department consider exempting from permitting a de minimis number of people who might engage in filming on Forest Service and other public lands?

Answer. With respect to activities on public lands, the Department's regulations contain a number of exemptions from the permitting requirement that capture a number of de minimis activities. As explained above, still photography and news gathering activities generally do not require a permit except under the specific circumstances identified in the regulations (43 CFR 5.2(b)). The Department would defer to the Department of Agriculture regarding management actions on Forest Service lands.

Question. Shell is forced to use the Bureau of Safety and Environmental Enforcement's (BSEE) existing Suspension of Operations regulations which were developed to address circumstances in the Gulf; however, Alaska is not the Gulf. Because of the unique and complex operations and the short timeframe for actually being able to operate in the Arctic compared to the Gulf, it is appropriate for BSEE to have Arctic-specific suspension regulations that reflect those differences. Do you agree? Why or why not? Additionally, BSEE has the authority to draft such regulations, but apparently has declined to do so. Why?

Answer. BSEE's regulations governing offshore oil and gas operations conducted on the Outer Continental Shelf (OCS) apply to all activities on the OCS regardless of location. BSEE does have the ability to issue additional regulations to address unique operating conditions and constraints. For example, BSEE is currently taking public comment on an Arctic exploratory drilling proposal. BSEE has not declined to draft Arctic specific suspension regulations and continues to explore these issues. BSEE is evaluating whether it can use its existing regulatory authority to address any unique and complex challenges associated with Arctic operations (ice coverage for the majority of the year). BSEE's analysis of this issue is ongoing with the goal of continuing to ensure the safe and environmentally responsible exploration and development of the Arctic OCS in accordance with the Outer Continental Shelf Lands Act and the ability to address suspension concerns in a timely manner.

Question. I have mentioned on many occasions that I am concerned about the pace of development on public lands—particularly in Alaska where lack of production threatens the sustainability of the Trans-Alaska Pipeline. The Department had a goal of permitting 10,000 megawatts of renewable energy production on Federal lands that was met in 2012. And currently, the administration has a goal for a “new renewable energy economy.”

Does the Department have a similar goal for conventional production?

Answer. The BLM provides for oil and gas development under the Mineral Leasing Act. Industry currently holds valid leases to 34 million acres of public lands but is only actively developing one in three of those acres. Last year, the BLM approved 50 percent more drilling permits than industry drilled that year, and oil and gas companies currently hold approximately 6,000 permits ready for drilling with no further action from the BLM—a 2-year supply under current drilling rates.

Question. If not, why? And, to what extent has the lack of any goals played a role in the downward trend of leasing on Federal lands?

Answer. BLM is responsible for making oil and gas resources available to industry where appropriate through its land use and leasing processes; however, actual production that takes place is generally up to industry. Oil and gas production is largely driven by economic and geologic considerations of the companies developing those resources. As a result, market conditions and technology advances cause shifts in areas where that development is focused. Oil and gas production trends from public and Indian lands have closely tracked that of comparable State and private lands. In fact, from 2008 to last year, oil production from lands requiring a BLM permit has increased 81 percent—from 113 million barrels to 205 million barrels. That is 92 million more barrels in 2014 than in 2008. Even where industry has seen de-

clines, like natural gas, those numbers often track statewide trends in the Western States where BLM predominantly works (e.g., New Mexico and Wyoming).

Question. According to the leasing statistics on DOI's own Web site for BLM lands over the past two decades, there is a downward trend. Over the course of the Clinton administration, the average acres leased per year was 3.3 million. Throughout the George W. Bush administration, the average acres leased was 3.6 million per year. During the first 6 years of the Obama administration, that number drops to an average of 1.6 million acres per year. If, like me, you view this information as negative, DOI's proposed rules relating to hydraulic fracturing, methane, and potential royalty rate increases certainly won't help reverse this trend.

Is this a trend the Department is aware of and happy with?

Answer. The BLM continues to provide significant opportunity for industry through leasing on public lands and permitting on public and tribal lands. However, industry has chosen to lease fewer acres in recent years, likely due in significant part to a large inventory of existing leases companies acquired in prior years. During the last fiscal year, the BLM offered over 5,500,000 acres for leasing, yet industry only bid on roughly 900,000 acres or 16 percent. Excluding Alaska, the BLM offered roughly 1.22 million acres in fiscal year 2014, yet industry only bid on 674,084 of those acres (55 percent), even though nearly all of the parcels offered for lease in the lower 48 were based on industry expressions of interest. These parcels are offered on top of the 34 million acres that industry already holds under lease, only one-third of which are actively producing oil and gas.

The recently published final rule on hydraulic fracturing is estimated by the BLM to cost industry on average less than one-quarter of 1 percent of the total cost of drilling a well. The BLM does not anticipate this rule to appreciably impact oil and gas production from public and Indian lands. The BLM has not yet published its proposed rule on venting and flaring or made specific decisions with respect to royalty rates, but will take into account the full range of information regarding anticipated impacts to both industry and Federal revenues as specific proposals are developed or considered.

Question. Is there anything the Department is proposing that you would argue is worth to result in a reversal of that trend?

Answer. Most parcels with high development potential and low resource conflict are part of the 34 million acres already under lease to the oil and gas industry. For parcels with more potential for conflict, the BLM is working hard to resolve conflicts where they arise. For example, BLM reduced the number of successful protests because of improvements in its process. In calendar year 2014, while 690,958 acres within 484 parcels were protested, 478 of those parcels or 98 percent were eventually offered for leasing, reflecting the strong upfront analysis for the parcel posting.

Similarly, the BLM continues to work closely with the U.S. Fish and Wildlife Service and Western States on a West-wide planning effort to put in place meaningful conservation measures for the Greater sage-grouse along with innovative mitigation programs that together will increase certainty for industry while providing for the long-term protection of the species. The BLM is also working to finalize Master Leasing Plans in sensitive areas across the West. Together these plans, once finalized, will allow for responsible oil and gas development while also protecting other resources that are important to local economies.

Question. If the Department is unhappy with this trend, what are you doing to see that leasing on our public lands occurs at a rate similar to previous Republican and Democratic administrations?

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Question. In 2013, a report commissioned by the Department concluded that raising royalty rates on onshore oil and gas production on public lands would discourage

investment and bring less money to the treasury, and consequently was not warranted.

What has changed since then to convince the Department that a royalty increase is warranted?

Answer. One of the Department's primary responsibilities with respect to oil and gas development from public lands and waters is ensuring that the American public receives a fair return from the production of those resources. The Mineral Leasing Act of 1920 (MLA) requires the BLM to impose a royalty rate "at a rate of not less than 12.5 percent in amount or value of the production removed or sold from the lease" for new competitively issued leases. (30 U.S.C. 226(b)(1)(A)). The BLM currently fixes the rate for such leases at 12.5 percent. (43 CFR 3103.3-1(a)(1)). For non-competitively issued leases, the royalty rate is fixed by the MLA at a flat 12.5 percent (30 U.S.C. 226(c)).

The conclusions of the report referenced ("Comparative Assessment of the Federal Oil and Gas Fiscal System") were nuanced. In addition, a range of other reports and information suggest that taxpayers could be getting a better return from increasing the onshore royalty rate. The adequacy of the Department's oil and gas fiscal system has been the subject of many studies by the Government Accountability Office (GAO) and the Department's Office of the Inspector General (OIG) and others. The most recent one was completed by GAO in 2013 ("Oil and Gas Resources: Actions Needed for Interior to Better Ensure a Fair Return"). Both the GAO and the OIG have expressed concerns about the adequacy of the existing BLM regulations. Based on comparison of Federal Government oil and gas revenues with revenues received by foreign governments, both have concluded that the Federal Government receives one of the lowest "government takes" in the world. Rates charged by many State and private resource owners in the U.S. suggest similar a similar discrepancy for the Federal onshore rate. As result, the United States could be foregoing significant revenue from the production of Federal oil and gas resources. Most recently, in 2013 the GAO expressed concerns about the BLM's "lack of price flexibility in royalty rates" to respond to market conditions and "the inability [of the BLM] to change fiscal terms on existing leases."

The GAO also faulted the Department for not having procedures in place to routinely evaluate the ranking of the Federal oil and gas fiscal system, or the industry rates of return on Federal leases versus other resource owners. In response to these findings, the BLM, in coordination with the Bureau of Ocean Energy Management (BOEM), contracted for a comparative assessment of oil and gas fiscal systems (IHS CERA Study 2011). While that study concluded that the Federal Government's fiscal system and overall Government take were generally in the mainstream nationally and internationally, it pointed out the benefits of a sliding scale royalty system instead of the current fixed rate established by existing regulations. The purpose of the sliding scale system would be to allow the Department to better respond to changes in market conditions and other factors. In addition to the IHS CERA Study, the BLM also reviewed a separate study that was conducted by industry, independent of the BLM (Van Meurs Study (2011)). The Van Meurs Study looked at a wide range of jurisdictions and regions across North America and provided a comparison of the oil and gas fiscal systems on Federal, State, and private lands throughout the United States and the provinces in Canada. At the time it was published, the Van Meurs Study suggested that in the United States: (1) Government take was generally lower on Federal lands than the lessor's "take" on State lands or private lands; (2) Government take was higher for gas than for oil; and (3) The internal rate of return on leases was lower for gas than for oil.

To date there is no decision to change the royalty rate. However, based on the foregoing, the BLM published an Advance Notice of Proposed Rulemaking (ANPR) to solicit comments on potential changes to its royalty rate regulations, among other things, with the intent of ensuring that BLM is providing the American people a fair return on the oil and gas resources extracted from BLM-managed lands.

Question. Does the Department believe raising royalty rates would discourage investment and bring less money to the Federal treasury?

Answer. No, the Department anticipates that any decision to adjust the onshore oil and gas royalty rate would be made with the expectation that there would be a positive effect on net royalty revenues to the Treasury (with any Federal revenue gains shared with the States in which the production takes place). The Department has not made any decision yet regarding specific changes to the regulations governing the royalty rate charged for competitively issued oil and gas leases.

Question. Does the Department worry that increasing the royalty rate and driving away investment on public lands will make it even more difficult to provide funds for the land and water conservation fund?

Answer. No. Any increase in the royalty rate would be designed to ensure that taxpayers are receiving a fair return from oil and gas development, not to discourage that development.

Question. In the budget request for the Bureau of Ocean Energy Management 2.5 million was requested to address aging infrastructure and the future needs to decommission and plug aging offshore wells. While I can understand that the Department is seeking to protect Federal waters offshore by ensuring that the responsible party pays for such costs, it is bewildering that people are still waiting in Alaska for the necessary remediation of legacy wells drilled by the Federal Government.

Please provide an update on the requirement from the current spending bill on the Alaska Native Claims Settlement Act (ANCSA) contaminated sites, as well as the most current information as it relates to expenditure of funds provided through the Helium bill for cleanup.

Answer. The BLM is in the process of developing a database of potential contaminated sites conveyed to ANCSA corporations based on inventories compiled by State and Federal partners in Alaska. A preliminary review of inventoried sites in the database has found that a majority of sites are not on land conveyed to an ANCSA entity, and those sites that were conveyed are on parcels that were not managed by the BLM prior to conveyance. The BLM expects to make the database available to the public after verification of its contents. The BLM is on schedule to submit a report to Congress during the summer of this year. Additionally, BLM Director Neil Kornze hosted a stakeholder roundtable discussion on contaminated lands with Federal partners and congressional staff in Anchorage on March 10, 2015, to discuss the proposed interagency database verification process and establish a path forward, including outreach to ANCSA corporations.

With respect to the use of funds from the 2013 Helium Stewardship Act, BLM-Alaska is currently using approximately \$7 million to plug Umiat Wells 1, 3 and 11 and remove wellheads at Umiat 4, 8, and 10 in the National Petroleum Reserve in Alaska (NPR-A). This work is being performed by Marsh Creek, LLC, under an interagency agreement with the U.S. Army Corps of Engineers. This work is scheduled to be completed by mid-to late April 2015. In addition, the BLM National Operations Center will soon announce a solicitation for remediation services of additional NPR-A Legacy Wells based upon priorities established in BLM-Alaska's 2013 Legacy Wells Strategic Plan.

Question. In May 2014, the Fish and Wildlife Service issued two draft rules and one draft policy related to critical habitat designations under the Endangered Species Act. The Service suggests that these proposals are simply an update that makes the regulations regarding critical habitat designations consistent with current policy and current practices. I am concerned that this is not the case and that the proposals greatly expand areas the Service may designate as critical habitat for two reasons.

First, the proposals give the Service the authority to designate unoccupied areas as critical habitat even if occupied areas are sufficient to provide for the conservation of the species. Second, the proposals give the Service the authority to designate unoccupied areas as critical habitat if the habitat is not currently suitable—and may not ever be suitable—to be habitat essential to the conservation of the species. Under these proposals, the Services could designate large swaths of land without a species as critical habitat if they believe one day it might be suitable habitat using climate change models that may or may not be accurate.

Will the Department commit to ensuring that the final rules and draft policy do not expand the Service's ability to designate critical habitat in areas that are not currently suitable for a listed species?

What is the timeframe for releasing a final rule?

Answer. The proposed rule you are referring to is the May 12, 2014, proposed rule by the U.S. Fish and Wildlife Service (FWS) and the National Marine Fisheries Service implementing changes to the regulations for designating critical habitat (79 FR 27066–27078). That proposed rule serves to revise regulations at 50 CFR 424 which, in part, interpret and implement the statutory definition of “critical habitat”, which includes “(ii) specific areas outside the geographical area occupied by the species at the time it is listed . . . upon a determination by the Secretary that such areas are essential for the conservation of the species.” The FWS's authority and ability to designate critical habitat in areas that were not occupied at the time of listing and are not currently suitable for a listed species flows from the statutory definition, but is limited to circumstances in which there is a specific determination that such areas are essential for the conservation of the species.

The FWS has learned through years of experience that the step-wise approach provided by the existing regulation can result in a larger designation that is less effective for species conservation. The proposed rule change would subsume and su-

persede language in the existing regulations that provides that areas outside the “geographical area presently occupied by the species” shall be designated only when “a designation limited to its present range would be inadequate to ensure the conservation of the species.” While the Department cannot commit to the outcome of the final rulemaking, be assured the FWS’s objective in proposing this revision is not to expand authority to designate critical habitat, but rather to remove an unnecessary limitation to achieve targeted designation of areas essential for the conservation of the species. The FWS focuses on areas where designation can make a difference for conservation of the species and avoiding areas where designation may provide a disincentive for voluntary conservation efforts.

To that end, the Service’s proposed policy with regard to the discretion to exclude specific areas from designation under authority of section 4(b)(2) reflects the intention, based on years of experience in designating critical habitat and defending those designations, to focus the designation on those areas where an added consideration to any section 7 consultation may benefit conservation of the species, but to generally exercise discretion to exclude from a designation areas where such benefits are unlikely or small and where designation may be a disincentive to voluntary conservation actions.

FWS anticipates finalizing the revised regulations and policy for critical habitat in early summer 2015.

Question. The sage-grouse rider that was included on the fiscal year 2015 Interior appropriations bill prohibits the Department from writing or issuing a proposed rule pursuant to the greater sage-grouse as is required when listing a species under Section 4 of the Endangered Species Act. The Department made the determination that the language of the bill allows you to continue working on a listing determination and only prohibits writing and publication of a rule.

Many question that interpretation and would argue that, regardless of whether you can technically take such actions, doing so is outside of the spirit of the appropriations language and is one more example of the Department using a questionable technical interpretation to circumvent the actual intent of Congress.

Regardless of whether the Department believes that you are legally entitled to do everything other than write or publish a rule on the Greater sage-grouse, do you think moving forward full steam a-head squares with the intent of the provision?

Answer. The Department and the FWS are not ignoring the General Provision relating to sage-grouse included in the fiscal year 2015 appropriation. At the same time, the Department is trying to comply with its obligation to the court to make a determination by the end of fiscal year 2015 as to whether a listing proposal is warranted or not warranted, as established in the 2010 settlement agreement. If FWS determines that a listing is not warranted, FWS will be in compliance with the settlement agreement and require no extension or relief. If the FWS determines that listing is warranted, the FWS will not write or publish a proposed rule listing the species until such time as Congress restores the authority to do so.

Question. The Department is prohibited from writing or issuing a proposed rule related to the greater sage-grouse. Is it in your legal authority to use the work product the Department gathers over the remainder of this fiscal year, when the rider is in effect, to write and publish a rule should the rider go away?

Answer. Yes. We believe doing so would be consistent with our Solicitor’s opinion that we can gather information for the listing determination and be in compliance with the appropriations language.

Question. This is a slightly more complicated issue, but I am interested in the Department’s interpretation of how the settlement agreement interacts with the appropriations bill, which is the law. Paragraph 2 of the settlement agreement expressly states “[t]he [Department] shall submit a Proposed Rule or a not-warranted finding to the Federal Register for the . . . Greater sage-grouse, including any Distinct Population Segments, by fiscal year 2015.” Paragraph 21 of the settlement agreement then states, “No provision in this Agreement shall be interpreted as, or constitute, a requirement that the [Department is] obligated to expend or pay any funds exceeding those available, or take any action in contravention of . . . any other appropriations law.”

Paragraph 2 requires the Department to submit a proposed rule in the Federal Register. The fiscal year 2015 prohibits the Department from writing or issuing a rule that would be published in the Federal Register. Paragraph 21 makes clear that the settlement agreement does not supersede Federal law.

If the settlement agreement requires the Department to submit a proposed rule to the Federal register and you’re prohibited from doing so by Federal law, doesn’t the appropriations bill, by its very language, prohibit the Department from acting in the manner that the settlement agreement requires you to act? And, if so, how

can the Department justify the course of action in moving forward with a listing determination?

Answer. The FWS will comply with the court-ordered settlement to make a determination by the end of fiscal year 2015 as to whether a listing proposal is still warranted or not warranted. Reaching a determination does not involve writing or issuing a proposed rule. If FWS finds that listing is still warranted, the General Provision in the fiscal year 2015 appropriation and the Anti-Deficiency Act will prevent the FWS from writing or issuing a proposed rule.

Question. I was pleased to see that the Department included \$22 million towards completion of Alaska land conveyances. This is the first time in many years that the Department hasn't slashed the program funding from the previous year. Last year, there were about 7 million acres pending approval of interim conveyances and about 56 million acres lacking surveys.

What will the Department be able to accomplish with the funds requested in the Budget?

Answer. The BLM estimates that survey and patent work is needed on 40.8 million acres of land in order to complete the United States' obligation to the State of Alaska under the Alaska Statehood Act. This field season BLM plans to survey approximately five million acres of the remaining State survey obligation. The BLM is also working with the State of Alaska to implement a new survey method using modern technology that could reduce the timeline for surveys by 60–75 percent and reduce the cost to the American taxpayer by 50 percent or more.

For lands covered by the Alaska Native Claims Settlement Act, the BLM estimates 11.9 million acres are left to survey and patent in order to complete the United States' obligation to the ANCSA corporations. In 2015, the BLM received \$22 million in conveyance funding which allows the BLM to conduct surveys for two of the 18 tracts conveyed to Sealaska on March 6, 2015, pursuant to the 2015 National Defense Authorization Act. Additionally, final surveys will be completed for up to six village corporations, allowing their entitlement to be finalized by patent in approximately 3 years. BLM will complete "14(c)" surveys for three village corporations and ten Native Allotment parcels. Focus will shift from fulfilling entitlement by interim conveyance to finalizing entitlement by patent. This year BLM already fulfilled entitlement, by patent, to seven ANCSA village Corporations with another seven village entitlements in the adjudication process. Additionally, the BLM anticipates reducing the 9.5 million acres in the interim conveyance status by nearly 500,000 acres by the end of the fiscal year.

As noted, the Department's fiscal year 2016 budget requests \$22 million to continue Alaska land conveyances. With this funding, the BLM plans to approve 1,000 miles of prior cadastral field surveys, complete 700 miles of new field surveys, and process 20 Native allotment claim applications. In addition, approximately 600,000 acres of Native corporation entitlements and 800,000 acres of the State of Alaska entitlement will be patented. Transfer of title through "Interim Conveyance" or "Tentative Approval" will continue to be completed, as necessary, for Native corporations and the State of Alaska.

Question. The Federal Government and the State are joint partners in the Alaska Mapping Initiative, with the goal of improving the topographic maps for the State. Some of the current topographic maps are over 50 years old and vital to aviation safety, land use planning, and research. The President's fiscal year 2016 budget proposes to increase funding for this program by \$1.3 million.

Would the Department please provide an update on where we are with the Mapping Initiative, how much of the State now has updated maps, and how long will it take to complete?

Answer. The Alaska Mapping Initiative is an interagency effort to update base geospatial information in Alaska. The Alaska Mapping Executive Committee (AMEC) coordinates Federal agency activities and works in partnership with the Alaska State government. This effort will result in statewide high-resolution geospatial coverage for elevation, hydrography, topographic mapping, and other thematic datasets.

The Department appreciates the support of the Alaska delegation in this effort. Chaired by the Department of the Interior Assistant Secretary for Water and Science, the AMEC has led the Alaska Mapping Initiative since 2012, with an initial focus on acquiring statewide high-resolution elevation data derived from interferometric synthetic aperture radar (ifsar). To date, ifsar elevation data collection has been completed for approximately 53 percent of the State. In July 2014, the AMEC endorsed a 3-year strategy (2015–2017) to complete the remaining ifsar elevation data acquisition for Alaska, contingent on funding. Progress to date is the result of very effective coordination and cooperation among the partners and funding contributions from participating Federal agencies and the State of Alaska.

The State of Alaska is acquiring SPOT satellite imagery and will have complete State coverage by 2016. The U.S. Geological Survey will use the topographic contours derived from the ifsar elevation data in conjunction with the SPOT satellite imagery, high-resolution National Hydrography Dataset information, and other base geospatial information to create updated 1:25,000-scale topographic maps. These maps will replace the outdated and less accurate topographic maps which currently exist for Alaska.

To date, approximately 1,100 new maps have been completed, for which new ifsar elevation data and imagery have been acquired, representing 10 percent of the State, with another 600 maps scheduled for production in 2015. The current goal is to complete the coverage of Alaska with new maps over the next 6–8 years.

Question. I have expressed my frustration with the mitigation requirements associated with the Greater Moose's Tooth (GMT) permitting process. Getting through the permitting process on public lands is not easy by design. There are strict environmental laws that industry must comply with. This is reasonable. However, I am concerned that the uncertainties the Greater Moose's Tooth faced in the process are going to be formalized and exported to the lower 48 via Secretarial Order 3330 on mitigation, which was signed on October 31, 2013.

As we saw with Greater Moose's Tooth, the Department is free to accept voluntary mitigation efforts as part of the permitting process. Please describe to me the legal justification for the idea that the Department has the authority to require them to make a payment into a mitigation fund in order to authorize an otherwise permissible activity under the Federal Land Policy Management Act (FLPMA).

Answer. As discussed in the GMT1 Record of Decision (ROD), BLM's authority for management of NPR-A and to issue land use authorizations for the GMT1 project comes from several statutes, including the Federal Land Policy and Management Act (FLPMA), the Naval Petroleum Reserves Production Act (NPRPA), Title VIII of the Alaska National Interest Lands Conservation Act (ANILCA), and section 28 of the Mineral Leasing Act. Each of these statutes and their implementing regulations require BLM to consider impacts to the environment and other resources and uses during processing of applications for land use authorizations. Additionally, each of these authorities provide broad authority for BLM to impose measures requiring applicants to mitigate adverse impacts to resources and uses, including measures that avoid or reduce impacts and measures that will compensate for unavoidable impacts.

The congressional declaration of policy for FLPMA requires that, "the public lands be managed in a manner that will protect the quality of scientific, scenic, historical, ecological, environmental, air and atmospheric, water resource, and archeological values . . ." (43 USC §1701(a)(8)). The FLPMA directs that "[i]n managing the public lands the Secretary shall, by regulation or otherwise, take any action necessary to prevent unnecessary or undue degradation of the lands" (43 USC §1732(b)).

The NPRPA provides BLM with additional mitigation authority specific to oil and gas operations in the NPR-A, directing the Secretary to "include or provide for such conditions, restrictions, and prohibitions as the Secretary deems necessary or appropriate to mitigate reasonably foreseeable and significantly adverse effects on the surface resources of the National Petroleum Reserve in Alaska . . ." (42 USC §6506a(b)).

Title VIII of ANILCA further requires Federal land managing agencies to evaluate impacts of proposed actions on subsistence uses, and provides that any action which would significantly restrict subsistence uses cannot be approved unless the agency takes reasonable steps to minimize impacts to subsistence uses and resources resulting from such actions (16 USC §3120).

Additionally, section 28 of the Mineral Leasing Act provides BLM with authority to issue rights-of-way across Federal lands for oil and natural gas pipelines and related facilities, and provides that such rights-of-way "shall be subject to such terms and conditions as the Secretary or agency head may prescribe regarding extent, duration, survey, location, construction, operation, maintenance, use, and termination" (30 USC §185). Specific to environmental protection, subsection 28(h) of the Act requires BLM to impose stipulations which are "designed to control or prevent damage to the environment (including damage to fish and wildlife habitat)" and that "protect the interests of individuals living in the general area of the right-of-way or permit who rely on the fish, wildlife, and biotic resources of the area for subsistence purposes" (30 USC §185(h)).

According to BLM interim draft mitigation policy (IM 2013–142),¹ offsite compensatory mitigation is generally appropriate when the agency determines that impacts cannot be mitigated to an acceptable level onsite, and it is expected that the land use authorization as proposed would not be in compliance with law or regulations, or consistent with land use plan decisions or other important resource objectives.

In the case of the GMT1 development project, the BLM conducted a public review process under the National Environmental Policy Act (NEPA) and determined the preferred alternative for the project would result in major impacts to subsistence hunting and fishing activities that were not able to be mitigated through changes to siting or project design. In order to address these unavoidable impacts and allow development to proceed, the BLM worked with the project applicant to identify compensatory mitigation measures to offset those impacts consistent with these authorities. These funds will be directed, as part of a broader regional mitigation strategy process, to projects that will compensate for impacts to subsistence hunting and fishing opportunities caused by the project.

Question. The Secretarial Order describes new policies, handbooks, and manual updates that will result from the Order. What information is the Department using to formulate these changes and when can we expect to see them?

Answer. The Department is in the process of updating policies, handbooks, and manuals to provide greater consistency in how mitigation is planned for and considered in the process of permitting projects. The Department and its bureaus are taking as inclusive an approach as possible for this effort. We rely on the insight and knowledge of our managers, specialists, and biologists on the ground that have a long history of permitting projects and collaborating with project proponents, States, communities, and other stakeholders. Such input is based on best-practices examples that have worked on the ground. Where appropriate, we have also sought public input. For example, BLM took the unusual step of publishing its interim draft mitigation guidance in 2013, to allow for public input and coordination with stakeholders and partners. The BLM's final mitigation guidance, due out this summer, has improved as a result of this engagement. Likewise, FWS plans to propose their mitigation policy revision in the Federal Register for public comment and review. Other policies, such as a new Departmental Manual codifying Secretarial Order 3330, have also been informed by discussions with bureaus receiving public comment and from direct discussion with stakeholders and project proponents.

Question. Projects across the Department's holdings have different mitigation ratios. What is the mechanism that will determine what the mitigation ratios are for a specific project?

Answer. Compensatory mitigation measures are analyzed as part of a project's public review under NEPA and are based on the impacts the project would have on important resources as defined by FLPMA, the Endangered Species Act (ESA), and other statutes. As mentioned above, the BLM and FWS are currently updating guidance that will bring greater consistency to the assessment of mitigation measures, though local conditions and public input will remain important considerations, and project decisions will continue to be made with the relevant line officer. In order to bring further predictability to mitigation and permitting decisions, the Department implements landscape strategies for areas of intensive development or special resource concern. For example, FWS routinely works with partners and stakeholders to implement Habitat Conservation Plans and Candidate Conservation Agreements that provide for conservation of species while providing assurance to developers and landowners. Similarly, BLM is working to develop regional mitigation strategies for Solar Energy Zones under the Western Solar Plan and routinely works with oil and gas companies to define mitigation measures for field-wide development plans. With these strategies, BLM is able to provide prospective developers with knowledge of where best to site projects as well as the certainty of foreseeable compensatory mitigation requirements, e.g. ratios, etc., if projects produce residual impacts. A similar regional mitigation strategy has been undertaken pursuant to the ROD for the GMT1 project, which will provide greater predictability for subsequent development projects in the northeastern portion of the NPR-A.

Question. There seems like potential for a tremendous amount of subjectivity. Given the idea that the Department thinks there is the authority to require this, how would you determine a mitigation ratio, particularly in the context of a project proponent who is not volunteering this?

Answer. For decades, the Department has determined mitigation measures for a range of resources and project types. When determining appropriate mitigation for

¹ Interim Policy, Draft—Regional Mitigation Manual Section—1794, June 13, 2013. http://www.blm.gov/wo/st/en/info/regulations/Instruction_Memos_and_Bulletins/national_instruction/2013/IM_2013-142.html.

a proposed project on Federal land, the BLM bases the need for compensatory mitigation on what is necessary and effective to offset residual impacts to resources considered important, scarce, or fragile as typically identified by applicable statute, regulation, or land use plan. In identifying appropriate mitigation measures, the BLM ensures there is an appropriate connection between the reasonably foreseeable impacts of a land use activity and the benefits of the compensatory mitigation. In some cases, the rough proportionality of mitigation requirements may be expressed in terms of ratios to reflect: (1) the fact that mitigation is not always successful (e.g., if on average restoration succeeds only half the time, then a 2:1 ratio is needed to offset expected losses of habitat), and (2) differences in conservation value (e.g., 2 acres of low value habitat must be enhanced for each acre of high value habitat lost).

The updated policies referenced above will provide greater consistency to how project managers consider these impacts and account for them in project reviews under NEPA. The Department is also improving how it plans for mitigation in advance of individual project reviews, including through the use of landscape strategies. Where these strategies exist, they provide project developers with an upfront and predictable framework for how the Department seeks to manage a particular set of resources or type of impact. For example, in the case of the Dry Lake Solar Energy Zone (SEZ) Regional Mitigation Strategy, a ratio of less than 1:1 was recommended to account for the solar development impacts to a landscape in a previously disturbed state. Generally, these strategies can provide increased certainty for developers in advance of project reviews.

Question. And, in the context of the Order, what qualifies as a “large development” project that requires the Order to “effectively offset impacts?” Will projects not classified as “large” be exempt from the mitigation order?

Answer. The development and consideration of landscape-scale strategies and plans will help to inform planning and permitting decisions relating to infrastructure projects of all types and sizes. Because large infrastructure projects often result in large-scale and complex impacts to the land and water resources, landscape-scale strategies and plans are particularly useful for these projects. Such strategies and plans can also be valuable when working to mitigate the impacts of a smaller project, such as a mine expansion or the siting of an oil and gas well. Opportunities identified by landscape-scale mitigation strategies and plans should be available to all appropriate development projects, regardless of size or type.

Question. I am concerned that, rather than creating efficiencies, the actions the Department is planning to take related to the Order will add duplicative requirements, give too much flexibility to agency personnel and create situations where “surprising” requirements at points in the process create an atmosphere of undue leverage. This will make responsible development on public lands even more difficult than it already is. What steps is the Department taking to promote clarity and predictability for both investors and agency personnel so that plans can proceed with less uncertainty and potential for conflict?

Answer. Improving consistency, predictability, and timeliness of permit decisions is a primary goal of this effort. Advancing development of landscape strategies department-wide and ensuring consideration of the mitigation hierarchy up-front in the project planning process can dramatically increase operational certainty. As noted in a report to the Secretary, “identifying mitigation needs early in the project development process can provide greater predictability and certainty in the design, development and implementation of projects by avoiding the need for late project revisions and analyses, and by providing for coordination and consistency among agencies. This can serve to reduce project costs and increase the confidence of investors, purchasers, and other project beneficiaries in the ultimate success of the project.”²

With established landscape strategies, project developers are better armed with a comprehensive description of management objectives for resources that may be impacted by their project. As a result, project proponents can better design and develop projects that avoid and minimize risk, and then compensate for unavoidable impacts when they do occur. More transparency and coordination will save time and money for developers and agencies alike.

In the case of the GMT1 project, the proposal represented the first oil and gas production from Federal lands in the National Petroleum Reserve-Alaska. As noted above, the ROD for that project provides for the development of a regional mitigation strategy that will allow the public to weigh in on how to direct the existing

²A Strategy for Improving the Mitigation Policies and Practices of the Department of the Interior, April, 2014. http://www.doi.gov/news/upload/Mitigation-Report-to-the-Secretary_FINAL_04_08_14.pdf.

compensatory mitigation efforts for the GMT1 project and will provide greater predictability and efficiency for subsequent projects located in the northeastern portion of the NPR-A.

Question. On February 23, 11 State regulators sent a letter to Office of Surface Mining Director Joseph Pizarchik. The letter expressed concern from the State regulators that the Office of Surface Mining had not “provided for meaningful participation by the cooperating agency States in preparation of the [Environmental Impact Statement] and it seems unlikely the agency will do so prior to release of the Draft EIS and proposed rule this spring.”

Does the Department disagree with their assertion that there has not been “meaningful participation by cooperating agency State?” If not, how has “meaningful participation” been achieved?

Answer. When Office of Surface Mining Reclamation and Enforcement (OSMRE) prepared the 2008 stream buffer zone rule, it did not include State coal mine regulators as cooperating agencies. However, when OSMRE began the development of the stream protection rulemaking to replace the now vacated 2008 rule, OSMRE, for what is believed to be the first time in its history, invited State regulators to be cooperating agencies. The cooperating State agencies provided meaningful input and comments. Their help is appreciated and has been used by OSMRE. OSMRE provided a report to the States on the status of the rulemaking in October 2014. The OSMRE also recently invited the cooperating State agencies to meet in late April regarding the analysis in the current draft EIS, specifically with regard to the issues they raised previously.

Question. What is the schedule for release of the Draft EIS and proposed rule?

Answer. Dependent on the timing of that review, the OSMRE hopes to release the Draft EIS in fiscal year 2015. The draft EIS is with the Office of Information and Regulatory Affairs at OMB.

Question. What is the total amount of funding spent by the OSM in development of the Draft EIS and proposed rule?

Answer. OSMRE has spent approximately \$9.5 million to develop the rule, including the evaluation of multiple options, review of current science and technology, and consultation with stakeholders.

There have been significant advances in science and technology since the promulgation of the 1983 rule that were not addressed in the 2008 Stream Buffer Zone Rule. Incorporating the most up-to-date science, technology, and knowledge concerning the effects of surface coal mining is essential to developing maximally beneficial modern regulations. In addition, the 2008 Stream Buffer Zone Rule did not provide objective standards for certain important regulatory decisions, such as a requirement to collect baseline information about pre-mining conditions so the regulatory authority can accurately assess the impacts of mining and assure proper reclamation. Therefore, OSMRE began work to modernize its regulations, incorporating new science, technology, and knowledge in areas that can improve, update, and more completely implement the Surface Mining Control and Reclamation Act (SMCRA).

Many scientific advances have occurred in the past 30 years. Under SMCRA, OSMRE can and should consider those advances when modernizing its rules. That is one reason why, combining OSMRE’s on-the-ground experience with peer-reviewed academic study, they are modernizing rules and using the best available technology and science to improve mining practices to minimize and mitigate environmental damage from surface coal mining. A revised rule that incorporates modern science, technology, and knowledge will enable the coal industry to do a better job of reclaiming land and restoring natural resources, and in many cases, will lead to that work being done in a more economical and efficient manner.

Question. I appreciate the Secretary’s pledge to cooperate in providing answers to my further questions regarding the Revised Comprehensive Conservation Plan and Final Environmental Impact Statement for the Arctic National Wildlife Refuge (“CCP” and “FEIS” respectively). Will the Secretary appoint a senior Departmental official (e.g. your Chief of Staff, Mr. Tommy Beaudreau) to discuss the most productive means to provide my questions to the Department such that you may provide thorough and complete answers promptly?

Answer. Tommy Beaudreau, the Chief of Staff, will be the point person.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

Question. It is my understanding that the North American Wetlands Conservation Fund received \$100 million as part of the BP settlement following the *Deepwater Horizon* oil spill. Is it true that these funds are intended to be used for the purposes

of wetlands restoration and conservation located in States bordering the Gulf of Mexico to benefit migratory species and other wildlife affected by the oil spill? Is it true that of the total \$100 million in funding received, approximately \$30 million has been spent, and only 25 percent of it has been spent in the Gulf States? Is it true that these funds are supposed to help the areas most affected by the oil spill, and there is no shortage of public and private entities in Mississippi ready to help leverage these funds? If so, do you expect this trend to continue with the remaining expenditure of the funds?

Answer. Through the *Deepwater Horizon* oil spill settlement with BP, the North American Wetlands Conservation Fund (Fund) will receive \$100 million over a 6-year period, made in annual payments that started in 2013, and were available to spend in 2014. As of March 1, 2015, \$40,041,992 has been deposited into the Fund under the court-approved payment schedule. Of this amount, and consistent with 16 U.S.C 4407(a)(1), \$1.4 million (4 percent of the total deposited to date) has been used for administrative costs consistent with the authorizing statute, and nearly \$3 million has been withheld due to sequestration. Settlement funds will continue to be withheld due to sequestration through fiscal year 2023, unless subsequent legislation is enacted eliminating sequestration.

After considering sequestration and administrative costs, the settlement has provided \$35.6 million to the North American Wetlands Conservation Act (NAWCA). The settlement requires these funds be used “for the purpose of wetlands restoration and conservation projects located in Gulf Coast States or otherwise designed to benefit migratory bird species and other wildlife and habitat affected by the Macondo oil spill.” To date, the North American Wetlands Conservation Council (Council), which oversees the Fund, has followed this direction carefully, funding projects with the greatest potential benefit to migratory bird species affected by the oil spill and where habitats supporting those species are facing urgent and widely acknowledged threats in Gulf States as well as others. For example, the Prairie Pothole Region of the Upper Midwest is undergoing a land conversion crisis and migratory birds affected by the spill are highly vulnerable to further losses of vital breeding habitat. Furthermore, the settlement funding is subject to the North American Wetlands Conservation Act (Act), which requires no less than 30 percent and no greater than 60 percent of available funds must be spent in Canada and Mexico. The Council decided to allocate the minimum (30 percent) to Canada and Mexico and is directing these funds to benefit species affected by the spill.

Based on that guidance, approximately \$18 million (50 percent) has been awarded to projects in the United States and \$5.2 million (15.5 percent) to projects in Canada and Mexico. During its April 29, 2015 meeting, the Migratory Bird Conservation Commission will consider awarding \$3.8 million for eligible domestic projects and \$8.6 million will remain in the Fund to support future projects.

The total funding available from the settlement for domestic projects is \$70 million, less the costs of administration and sequestration. Of this amount, \$22 million has been identified for projects in the five Gulf States, including two projects in Mississippi. The Council will continue to prioritize and fund high quality projects in Gulf States, in addition to those high quality projects that will provide the greatest benefit to affected migratory bird species, such as those within the prairie potholes.

Question. Residents and private landowners in South Mississippi are very concerned about the proposed rule published by the U.S. Fish and Wildlife Service designating the Black Pinesnake as “threatened” under the Endangered Species Act. The prohibitions and conservation actions that could be required as a result of this designation, should the rule become final, could have a negative impact on one of the main economic drivers in the area—timber and forestry production. I certainly hope the U.S. Fish and Wildlife Service will take this into consideration moving forward. Should the Service issue a final rule on this determination, what type of restrictions would be placed on timber harvesting activities? If forestry management activities are drastically reduced on the DeSoto National Forest, how will the counties containing large tracts of Federal land be compensated for the lack of revenue from timber production?

Answer. The U.S. Fish and Wildlife Service (FWS) proposed listing the black pinesnake as threatened under the Endangered Species Act (ESA), with a special rule under authority of section 4(d) of the Act that would tailor regulatory prohibitions to only those necessary for conservation of the species. The proposed special rule reduces the regulatory burden on landowners, while promoting forestry activities that provide an overall conservation value to the snake. Activities such as riparian and longleaf pine restoration, herbicide treatment, burning, and thinning are covered under the special rule, meaning those activities could continue to take place if the conservation measures in the rule are followed.

The black pinesnake depends on open longleaf pine habitats. As a result, much of the forested land in southern Mississippi is not considered black pinesnake habitat. Forest management activities in areas not occupied by the snake would be unaffected by the proposed listing. In areas where the black pinesnake is known to occur, the FWS is working with the forest industry and landowners to minimize and avoid potential impacts to the snake from activities such as clearcutting and stump removal.

The FWS worked closely with the U. S. Forest Service as they prepared the proposed listing of the black pinesnake to find conservation measures that will protect the snake while allowing for timber harvest and other forest management activities. If the proposed listing is made final, FWS does not expect forest management activities to be reduced on the DeSoto National Forest. Under the Forest Plan, activities in the DeSoto National Forest would accelerate timber management treatments, such as thinning, to restore the longleaf pine ecosystem. These efforts will have a number of benefits, including restoring habitats for the black pinesnake and other threatened and endangered species also present in the DeSoto National Forest, such as the red-cockaded woodpecker, gopher tortoise, and dusky gopher frog.

Question. Pearl River Elementary School on the Mississippi Choctaw Reservation was originally built to serve approximately 300 students, is now serving more than 700. On February 27, the Government Accountability Office released a document stating that “information on the physical condition of Bureau of Education schools is not complete or accurate as a result of longstanding issues with the quality of data collected by the Department”. Does the administration’s fiscal year 2016 budget proposal provide adequate funding to improve data collection and address the construction needs at Bureau of Indian Education schools? What steps is the Department taking to help tribes recruit quality teachers, particularly in States where funding available to pay teachers at tribal schools is significantly lower than public school teacher salaries?

Answer. Indian Affairs is in the process of finalizing the verification of an up-to-date, accurate database of deferred maintenance needs for each school. The data update and verification process is important at all times, but especially critical at this point in time when Indian Affairs is developing a list of schools eligible for the next list of BIE-funded schools slated for replacement and renovation. In fiscal year 2014 and fiscal year 2015 to date, BIA has actively conducted outreach to notify schools to update information in the deferred maintenance database. BIA has also provided technical assistance where necessary. The fiscal year 2016 education construction budget request includes \$1.3 million to continue triennial facilities condition assessments at BIE schools. Going forward, the scope of the condition assessments will expand to provide a more in-depth assessment to assure data accuracy, deferred maintenance, and programmatic needs for BIE schools.

To address the education construction needs, the fiscal year 2016 budget includes \$45.5 million for replacement of the last two schools on the 2004 Replacement School Priority List and to begin planning and design of the schools on the next replacement and renovation priority list, currently under development. In addition, the fiscal year 2016 education construction request revitalizes the Facilities Component Replacement Program (FCRP) and funds it at \$11.9 million. This program is an important part of the Indian Affairs’ plan to bring all BIE schools into good condition. The FCRP identifies individual buildings on a school campus where it is more cost effective to replace the building than repair it but where the whole campus does not need replacement. Indian Affairs is currently re-establishing criteria for buildings to be prioritized for FCRP. The fiscal year 2016 budget request also includes significant increases for education facilities improvement and repair projects and for education employee housing repair.

BIE-funded schools are operated by the BIE or under grant by a tribe or tribal organization. BIE is only able to report on strategies at BIE-operated schools. Tribally controlled schools are not required to report to BIE regarding any aspects of tribal operation of a BIE-funded school. With respect to strategies to recruit quality teachers, BIE is partnering with Tribal Colleges and Universities to create programs to align aspiring teachers with BIE-funded schools. BIE is also working with the National Board for Professional Teaching Standards to provide teachers an opportunity to work on a multi-year program to yield an advanced teaching credential to exceed State requirements. Tribally controlled BIE-funded schools may work with the BIE to participate in either of these strategies.

QUESTION SUBMITTED BY SENATOR JOHN HOEVEN

Question. Due to the growth in western North Dakota, this part of our State has experienced a dramatic cost of living increase while Federal wages in these areas have remained the same. I have urged OPM to address these salary issues for Federal employees in western North Dakota, and I understand that OPM is waiting until it can review a special rate request for North Dakota from the Department of the Interior before taking any action. When will your department complete its special rate request?

Answer. The Department of the Interior submitted a special pay rate request for mission critical energy occupations, including positions in the Bakken region, to OPM in November 2014. The Department has been working together with OPM and other Federal employers in the Bakken region to collectively address recruitment and retention issues there through the use of available pay flexibilities. These flexibilities include recruitment, retention, and relocation incentives as well as special rates of pay. Federal agencies have been using recruitment and retention incentives in the short term. OPM recently approved agency requests to establish special wage rates for around 160 skilled trades positions in the region, including certain Department of the Interior positions, and is engaged in an interagency coordination of agency special rate requests for certain General Schedule positions. OPM informs us that it expects to complete its interagency coordination and respond to agencies with a decision on the special rate requests in the near future.

QUESTIONS SUBMITTED BY SENATOR BILL CASSIDY

Question. Recently you stated that States on the Atlantic will have a chance to pull themselves out of the running for possible Federal approval of offshore drilling. What are your thoughts here? Your quote suggests that States along the coast have a role?

Based on the logic you just gave, how can you then claim that revenue shouldn't have been shared with States since they do have a role and an impact in hosting energy production offshore?

Answer. States clearly have a role in decisions about whether and/or how to develop Federal energy resources off their shores, both as a statutory matter and as a general principle. In fact, section 18 of the Outer Continental Shelf Lands Act (OCS Lands Act) requires the Secretary to consider eight factors in determining the timing and location of Outer Continental Shelf (OCS) oil and gas activities. One of those factors is "(a)(2)(F) laws, goals, and policies of affected States which have been specifically identified by the Governors of such States as relevant matters for the Secretary's consideration;." For the Secretary to consider such information, comments from affected States are solicited and considered by the Bureau of Ocean Energy Management (BOEM) during the Program development process. Per section 18(c)(1) of the OCS Lands Act, the Secretary of the Interior shall invite and consider suggestions for the leasing program ". . . from the Governor of any State which may become an affected State under such proposed program . . .".

How the Federal revenues generated from those Federal leasing and development decisions are spent is a different matter, and the administration stresses its commitment to ensuring American taxpayers receive a fair return from the sale of public resources and that taxpayers throughout the country benefit from the development of offshore energy resources owned by all Americans. Any revenue sharing of OCS revenues must be provided for by statute. The Secretary of the Interior does not have the authority to expand, extend, or otherwise revise revenue-sharing provisions. Congress would have to implement legislation to authorize any new revenue sharing arrangements. The administration proposes to work with the Congress on legislation to redirect funds currently allocated for GOMESA revenue-sharing payments to select States from Gulf of Mexico oil and gas leases. The administration proposes to redirect these payments, which are set to expand substantially starting in 2018, to programs that provide broad natural resource, watershed and conservation benefits to the Nation, help the Federal Government fulfill its role of being a good neighbor to local communities, and support other national priorities. Such programs could include the Land and Water Conservation Fund, Payments in Lieu of Taxes, State and Tribal Wildlife Grants, Federal coastal restoration and resilience programs, and other national priorities.

Question. The Department recently proposed the Draft Proposed Program for the 2017–2022 OCS 5-Year Leasing Program. Given that the 5-Year OCS Leasing Program development process involves multiple iterations and is designed to whittle down the areas under consideration for leasing at each stage of the process, can you

explain the decision to remove areas from consideration in certain planning areas without having the benefit of a full environmental analysis or compatibility study?

Answer. The Draft Proposed Program (DPP) analyzed all 26 planning areas and reflects a balanced proposal that would make nearly 80 percent of the undiscovered technically recoverable resources available while protecting special areas and reducing potential multiple-use conflicts. The options in the DPP include sales in the offshore areas that have the highest oil and gas resource potential, highest industry interest, and are off the coasts of States that expressed a strong interest in potential OCS energy exploration. The selection of these areas also considered potential environmental impacts, stakeholder concerns, and competing uses of ocean and coastal areas. Public involvement is an important step in the development of the Program and will help the Department determine whether and how it should be further refined in the next stages of 5-Year Program development.

Using authority granted in section 12(a) of the OCS Lands Act, 43 U.S.C 1341(a), the President withdrew certain areas within the Beaufort and Chukchi Seas to protect areas of critical importance to subsistence use by Alaska Natives, as well as for their unique and sensitive environmental resources. The majority of the withdrawn areas have a long history of being deferred in 5-Year Programs and lease sales. Even with these withdrawals, the DPP contains 90 percent of the undiscovered technically recoverable resources in the Beaufort and Chukchi Seas.

The DPP proposes a sale in the Program at least 50 miles offshore the coasts of Virginia, North Carolina, South Carolina, and Georgia in a portion of the Mid-Atlantic and South Atlantic Planning Areas. This option allows for consideration of a targeted area with resource potential, while limiting potential impacts to the environment and other ocean uses. The 50-mile coastal buffer was included for the Atlantic sale to minimize many multiple use conflicts, such as those from Department of Defense activities, renewable energy activities, and commercial and recreational fishing, while making available the vast majority of potential resources in this area. Further environmental analysis regarding minimizing potential impacts will be performed as part of the 5-Year Programmatic Environmental Impact Statement.

Question. In 2010, the Atlantic was not open for leasing and Congress had a moratorium for the Eastern Gulf of Mexico (EGOM). BOEM announced in March 2010 that the 2010–2017 5-Year Program would include lease sales in the Atlantic and some additional portions of the Eastern Gulf of Mexico contingent on Congress lifting the EGOM moratorium. After the Macondo incident, those plans were scrapped. You have now proposed opening the Atlantic, but refuse to consider the EGOM. More is understood about the EGOM's potential resources and because of the proximity to the Central Gulf of Mexico the infrastructure is also there. Why did you not include the EGOM in the draft plan using the same contingency that was proposed in 2010?

Answer. The vast majority of the Eastern Gulf of Mexico (EGOM) is under congressional moratorium and is unavailable for leasing consideration through June 30, 2022, pursuant to the Gulf of Mexico Energy Security Act of 2006.

With regard to the Atlantic OCS, this area has not been under Presidential withdrawal since July 14, 2008, and has not been subject to congressional moratoria since October 1, 2008.

Question. The Department included one sale for the Atlantic in the draft proposed program. Unfortunately, the sale has been put at the end of the planning period, 2021. Given the frontier nature of the Atlantic, it would be useful to have the sale earlier in the plan to give time for companies to analyze data and use the information from that sale to inform the Department for the 2022–2027 program. Why did you push the sale so late into the program?

Answer. Current geological and geophysical (G&G) information regarding the oil and gas resources potentially available in the Mid- and South Atlantic Planning Areas is based on older data collected in the 1970s and 1980s. Significant advances in instrumentation and technology for the acquisition and analysis of G&G data have been made in the intervening decades. The proposed sale is late in the Program to afford companies more time to collect and analyze data on the location of potential hydrocarbon resources. It also allows the government more time to consider this data, as well as gather new information on the environment and multiple use conflicts. As part of the lease sale process, the Department must also prepare an Environmental Impact Statement of the sale area, which will require additional time in an area not recently analyzed.

Question. In your announcement for the Draft Proposed Program (DPP) you were quick to point out that you can narrow or take away areas altogether away. With such a limited proposal to begin with it's hard to understand how or why you would limit it any further especially given all of the support for offshore drilling in the

regions you've proposed? Are you, through your current authority able to expand the DPP or are you only able to subtract leasing acreage?

Answer. The DPP analyses examined and compared all 26 of the planning areas. As required under section 18 of the OCS Lands Act, the Secretary must consider and balance critical needs, and this resulted in the decision to include a schedule of 14 potential lease sales in 8 planning areas in the Draft Proposed Program, which would make nearly 80 percent of the undiscovered technically recoverable resources available.

If an area or sale is not included at the DPP stage, it cannot be added back into the DPP without analyzing the option and rebalancing the entire DPP decision. Therefore, the DPP decision is the broadest Program decision available for further consideration, per the OCS Lands Act. As additional comments are received, an Environmental Impact Statement is prepared, and section 18 criteria are further analyzed and balanced, the Department will refine the DPP analysis and develop a Proposed Program.

Question. Why are you allowing environmental groups to dictate the 5-year leasing program? I ask because last year the Request for Information had a 45-day comment deadline as dictated by the planning process but yet, the Department extended the deadline an additional 15 days and I must assume it was because there weren't enough comments submitted from anti-drillers.

Answer. The Bureau of Ocean Energy Management (BOEM) granted the extension of the comment period in response to requests from several State governments along the Atlantic coast. BOEM recognizes the importance of input from stakeholders and the public and wanted to be responsive to requests to provide additional time for those States in particular that had not had OCS activity in many years to understand the process in order to provide critical information, recommendations, and concerns to help apprise the Department on preparation of the DPP.

QUESTION SUBMITTED BY SENATOR ROY BLUNT

Question. The report language in the fiscal year 2014 and fiscal year 2015 Omnibus included the Committees' continuing support for park partnerships and urged the Department of the Interior "to continue reassessing recent policy interpretations and review procedures to promote the greater use of partnerships" . . . that have historically proven beneficial to national parks and partners.

What further steps have you taken to adopt policies and an internal organization addressing management of truly collaborative operating and conservancy relationships in order to encourage the shared stewardship and funding so essential for the National Park Service to fulfill its mission?

Answer. The National Park Service (NPS) encourages shared stewardship and funding through its partnership authorities and policies. In June 2014, the NPS issued a policy memorandum to help the NPS connect with broader philanthropic communities, offer updated tools to help current partners engage new and more diversified philanthropic partners, support more robust engagement of partners for the upcoming Centennial in 2016, and provide the framework and standards for testing philanthropic practices that could be implemented more broadly. The National Defense Authorization Act of 2015 also set guidelines for the NPS to accept and acknowledge donations to parks and programs; which is intended to help generate private donations in advance of the Centennial. Additionally, NPS Director's Order 21—Partnerships and Philanthropic Stewardship—is currently being revised and will be released in the coming months. The NPS is also working with the National Park Foundation to support its multi-million dollar capital campaign in support of the 2016 Centennial of the NPS.

The fiscal year 2015 Appropriations Act included \$10.0 million for the NPS Centennial Challenge program, an innovative public-private partnership program that requires a 1:1 non-Federal match to accomplish high priority projects in national parks. The NPS received over 200 project submissions, with many projects leveraging more than 50 percent in donations. The fiscal year 2016 NPS budget proposal seeks to build upon fiscal year 2015 enacted by requesting an additional \$40.0 million in discretionary funding, as well as a mandatory proposal for \$100.0 million annually over 3 years, to provide additional resources for this cost share program for these signature projects.

QUESTIONS SUBMITTED BY SENATOR TOM UDALL

NATIONAL PARK SERVICE BUDGET

Question. I was pleased that Congress authorized the Manhattan Project National Historical Park to honor important American scientific and military achievements. I understand that the Department's fiscal year 2016 budget request includes \$180,000 in start-up funding for this new park, and that you are now working with the Department of Energy to determine future management needs. Can you explain how the planning process with DOE will work and what you expect the outcome to be? How will you ensure that this new park has the resources it needs to operate?

Answer. The National Park Service (NPS) and the Department of Energy (DOE) are working on a memorandum of agreement on the roles of the two agencies in administering the facilities proposed to be included as part of the Manhattan Project National Historical Park. The purpose of the park is "to improve the understanding of the Manhattan Project and its legacy through interpretation of the historic resources". The park offers an excellent opportunity for people from around the world to visit these historic sites and gain a deeper understanding of the history and world-changing events that happened as part of the Manhattan Project as well as engage in learning about innovations in science, engineering, and technology.

The new park will preserve and interpret the historic properties at three major sites associated with the Manhattan Project: Los Alamos, New Mexico, where the scientific laboratory that designed and tested the bomb was located; Oak Ridge, Tennessee, where facilities were built to produce enriched uranium; and Hanford, Washington, dedicated to the production of plutonium. To help identify future management needs, an interagency team conducted site visits and public meetings at Oak Ridge, Tennessee March 25–26, 2015. Site visits and public meetings will take place in Hanford, Washington April 14–16, 2015, and Los Alamos, New Mexico June 3–5, 2015.

The Department of the Interior is committed to working with DOE, as well as engaging with State, county, local and other stakeholders during the planning process. As the planning and discussions on the memorandum of agreement proceed, NPS, in concert with DOE, will continue to evaluate operating priorities for the park.

Question. What is the Park Service's long-term strategy to address your maintenance backlog? With respect to the Centennial Challenge, how does the Park Service plan leverage its Federal funds with partner contributions to specifically address capital needs?

Answer. The NPS strategy to address deferred maintenance needs provides for the long-term sustainability of essential NPS assets by prioritizing capital investment funding for the most important assets, such as historic buildings and mission critical infrastructure. The fiscal year 2016 President's budget request includes an increase of \$242.8 million in discretionary funding and a proposal to create a mandatory appropriation funded at \$300.0 million annually for 3 years to address the deferred maintenance backlog on the NPS' highest priority non-transportation assets. Overall, the Centennial Initiative, including discretionary and mandatory proposals, will allow the NPS to ensure all of its highest priority non-transportation park assets are restored and maintained in good condition over 10 years.

The fiscal year 2015 appropriation provided \$10.0 million for the Centennial Challenge program. The evaluation criteria for Centennial Challenge project proposals prioritizes projects that leverage higher rates of partner contributions and address critical high priority deferred maintenance needs. The NPS is nearing final selection of the fiscal year 2015 Centennial Challenge projects, many of which support deferred maintenance or related needs, such as accessibility of facilities for visitors with disabilities. While the NPS can and will demonstrate success with many of the deferred maintenance and capital improvement projects to be accomplished with partner support, donors and partners ultimately determine the projects they wish to support. It is unlikely that a match can be found for many of the lower-profile, but no less critical, projects that keep the parks open for visitors, such as repaving parking lots or fixing wastewater treatment systems.

Question. Can you please provide additional detail about the investments you are proposing in your budget to put "Every Kid in a Park"? How will the dollars be allocated, and how will you measure success for this initiative? In particular, how are you going to reach out to urban and underserved communities to get those children and their parents connected with national parks?

Answer. As part of President Obama's commitment to protect our Nation's unique outdoor spaces and ensure that every American has the opportunity to visit and enjoy them, he launched the "Every Kid in a Park" initiative to provide all fourth grade students and their families with free admission to national parks and other

Federal lands and waters during the 2015–2016 school year. This initiative will help us build lasting partnerships with kids, parents, and educators far beyond that timeframe, cultivating a better understanding and appreciation of the spectacular natural and cultural resources and recreational experiences offered in the national park system. Some of these students will come as part of organized field trips, and others will come with their families and friends.

The fiscal year 2016 President's budget request prioritizes engaging youth and expanding programs and services to help support this initiative, including a request for \$20 million to support transportation and visitor services for Every Kid in a Park outings. This request, combined with the public-private partnerships being grown and strengthened across the Federal family, will allow this initiative to build off successful models already in existence for connecting young people to the outdoors. The request includes \$11.5 million to transport more than one million students from Title I elementary schools in urban areas to nearby national parks and \$8.5 million to support park-level youth engagement coordinators.

To track usage and measure success, NPS will work with schools and partner organizations that run youth outings to report their visits. Over time, this initiative can help develop better baseline data for youth visitation to national parks and other public lands and waters.

While the U.S. Department of Education does not have outdoor education statutory authorities, it has offered to help NPS connect with education partners and will be working in a communications capacity to get the word out about this opportunity to State, local, and school officials; teachers; key non-profit groups; and education-related associations.

ENERGY DEVELOPMENT ON PUBLIC LANDS

Question. I understand that the Department is close to completing work to revise and implement a new rule increasing disclosure and strengthening operating requirements where hydraulic fracturing is being used on public lands. Can you update us on the current timeline for the rule?

Are there aspects of the inspection program in your budget request that will specifically help to ensure that hydraulic fracturing on Federal lands is properly regulated?

Answer. On March 20, 2015, the Department of the Interior (DOI) finalized its hydraulic fracturing (HF) regulations. The rule provides a strong framework for the environmentally safe and economically viable development of onshore oil and gas resources. It addresses key issues such as the protection of water resources, well-bore integrity, and the public disclosure of materials used in the process, among other things. Until now there have been no Federal rules in place that specifically address the increasingly complex nature of hydraulic fracturing processes taking place on public and tribal lands. The new rule updates regulations that are more than three decades old. It will be effective 90 days after the date of Federal Register publication, which was March 26, 2015.

The 2016 budget request for the BLM inspection program does not contain a specific component related to hydraulic fracturing, as the implementation of the rule will be part of the oil and gas program's overall oversight responsibilities. However, the budget request would provide the resources to enable the BLM to fulfill all of its annual inspection responsibilities, which include better oversight of hydraulic fracturing operations on Federal and tribal lands, along with other deficiencies identified by the February, 2011, GAO report on the Federal management of oil and gas resources. Instituting the administration's proposed new inspection fees, which are analogous to fees already charged for offshore operations, is a key component of this effort.

BUREAU OF INDIAN EDUCATION

Question. I appreciate the large increases in your budget request for tribal education programs, and I want to commend you for making Indian education programs such a high priority for the Department. In particular, I'm glad to see that your budget includes a \$59 million increase for school construction and renovation programs in Indian Country. Can you talk more about how these funds will be used, and how you will allocate them to ensure that the highest priority infrastructure needs get met?

Answer. The Indian Affairs fiscal year 2016 budget proposal includes a total of \$133.2 million for BIE Education Construction, an increase of \$58.7 million over the fiscal year 2015 budget. Within this request is \$45.5 million, an increase of \$25.3 million, for replacement of the last two schools on the 2004 Replacement School Priority List and to begin planning and design of schools on the next school replace-

ment and renovation priority list currently under development. In addition, the fiscal year 2016 education construction request revitalizes the Facilities Component Replacement Program (FCRP) with a request of \$11.9 million. This program is an important part of the Indian Affairs plan to bring all BIE schools into good condition. The FCRP identifies individual buildings on a school campus where it is more cost effective to replace the building than repair it but where the whole campus does not need replacement. Indian Affairs is currently re-establishing criteria for buildings to be prioritized for FCRP. The fiscal year 2016 budget request also includes \$68.2 million for education facilities improvement and repair projects, an increase of \$17.7 million, and \$7.5 million for education employee housing repair, an increase of \$3.7 million.

Question. What is the administration's plan to update a new school construction priority list to address the needs of other schools?

Answer. In fiscal year 2014 and fiscal year 2015 to date, BIA has been actively conducting outreach to notify schools to bring their database of deferred maintenance needs up to date, providing technical assistance where necessary. Indian Affairs is in the process of verifying the updated database to ensure accurate data is used to determine initial eligibility for a new school replacement and renovation priority list. After verification of the data, Indian Affairs will calculate each school's Facility Condition Index (FCI) to determine schools in "poor" condition, one of the requisites for eligibility for replacement or major renovation. Another way to be eligible is for a school to be both 50 years or older and educating 75 percent or more of students in portables, regardless of its FCI.

Schools eligible to apply for the School Replacement and Renovation Program will be invited to complete applications for consideration. Applications received from these schools will be evaluated by using the method determined by a Negotiated Rule Making Committee. After a review and scoring of the applications by the Review Committee, the top 10 schools will be invited to present to the Review Committee in a Public Meeting. After the presentations, the Review Committee will identify five projects and forward their recommendations to the Assistant Secretary—Indian Affairs for acceptance. Indian Affairs anticipates the new School Replacement and Renovation priority list identifying five schools will be completed by the end of July 2015. After the list is finalized, DOI will present the list to Congress.

Question. Ensuring access to technology is a critical way to make sure American Indian and Alaskan Native students receive the world-class education that they deserve, no matter where they live. I was pleased to see that your budget includes \$34 million in new funding to connect tribal schools to broadband.

How many schools do you expect to reach with these funds? Do you expect this to be a multi-year investment? What is your ultimate goal for this funding?

Answer. The budget proposal requests a \$34.2 million increase as part of a 3 year plan for all schools and dormitories in the BIE-funded school system to achieve the ConnectED standard for bandwidth and have access to prevailing technology for Internet connectivity. Most of the request will fund non-recurring charges for bandwidth upgrades over 3 years. After the upgrades are accomplished, some funding will be needed for increased operations costs due to higher monthly broadband costs and to upgrade information technology as it becomes outdated.

The overarching goal of the plan to provide BIE-funded schools with bandwidth and information technology, including computers and other mobile devices, is to enrich the education experience for Native American students and to provide a means for students and teachers to have access to online testing, distance learning, and multimedia resources.

Question. Infrastructure programs are important—but to be effective they must be accompanied by efforts to recruit and retain good teachers and improve curriculum. Can you tell us more about the \$10 million in your request to fund school reform efforts? How do these funds fit into the administration's larger vision for reforming the Bureau of Indian Education? What metrics will you use to define success?

Answer. The \$10.0 million increase requested for Education Program Enhancement will be used for multiple purposes. The additional funding will allow BIE to provide targeted support and interventions focused on school improvement efforts and other activities that promote student achievement. School improvement efforts include establishing a tribally managed school reform plan and expansion of curriculum areas like Native language immersion. Other activities include the consolidation of professional development delivery to multiple schools, content specialists providing technical assistance to schools and tribes, and programs to improve the quality of instruction and leadership across the school systems.

We agree that efforts to recruit and retain good teachers are fundamental to BIE reform efforts. BIE is partnering with Tribal Colleges and Universities to create

teacher pipelines to BIE-funded schools. BIE is also working with the National Board for Professional Teaching Standards to provide teachers an opportunity to work on a multi-year program that yields an advanced teaching credential that goes above and beyond the State requirements.

These efforts with the tribes, teachers, and partners fit into the administration's larger vision to transform the Bureau of Indian Education into a 21st century education system grounded in both high academic standards and tribal values. The reform focuses on five areas which include (1) having highly effective teachers and principals in the schools, (2) building a responsive organizational environment, (3) promoting educational self-determination for Tribal Nations, (4) fostering partnerships, and (5) developing a budget that is aligned with and supports BIE's mission of tribal capacity-building.

We are working now to establish a strong set of indicators and an evaluation strategy to assess and refine all of the components of the transformation effort. We will conduct ongoing evaluation of school administration, best practices, graduation rates, and school facility condition, however, the real measure of success will be in the achievement of the students themselves.

Question. Secretary Jewell, the last official Johnson O'Malley student count was taken in 1995. Relying on 20-year old data is no way to run a program, which is why the Appropriations Committee has been asking the Bureau of Indian Education to release a new student count for the Johnson O'Malley program for several years. Yet we have had little success. Where are you in the process of developing the new Johnson O'Malley student count? When can we expect the Department to release those figures to the public, and what is your plan to engage tribes once they are released?

Answer. The updated Johnson-O'Malley (JOM) count was electronically delivered to Congress on March 30, 2015. The total 2014 JOM student count is 341,126. The BIE announced four tribal consultation sessions on the JOM count in the March 4, 2015 Federal Register. There will be two on-site consultations and two Webinar-teleconference consultations. These consultations are scheduled between March 31 and April 10. During these consultations, the BIE will ask for tribal input on how to ensure the count data is accurate and to discuss funding distributions under the new count.

Question. While I appreciate the emphasis on K-12 education in this request, I am concerned that tribal colleges haven't received the attention that they deserve. Overall, your budget includes flat funding for tribal colleges—and it does nothing to provide forward funding for the remaining tribal colleges that do not receive it. These schools have struggled to operate without funding certainty under continuing resolutions, and I am told that it was particularly hard for them to keep their doors open during the 2013 shutdown. The administration has supported forward funding for other tribal colleges in the past. Will you work with me to find a solution to provide forward funding for these remaining schools?

Answer. BIE understands how difficult multiple CRs and uncertainty at the start of the fiscal year can be in operating an educational institution. We would like to work with you to address this problem. The 28 tribally controlled colleges and universities that receive funding through BIE under authority of Public Law 95-471, the Tribally Controlled Community Colleges and Universities Act of 1978, as amended, have been forward funded since 2010. The other four colleges funded in the BIE budget, two BIE owned and operated colleges (Haskell Indian Nations University and Southwestern Indian Polytechnic Institute) and two tribal technical colleges (United Tribes Technical College and Navajo Technical College) are not forward funded.

LAND AND WATER CONSERVATION FUND (LWCF)

Question. Can you talk about your experience using the LWCF program as a conservation tool for the Department? As you seek to address the many pressing needs of the Department of the Interior, how do you see the role of LWCF funds in supporting local economic needs and addressing agency management challenges?

Answer. The Land and Water Conservation Fund—established with overwhelming and bipartisan support by Congress 50 years ago—is one of the most important conservation tools we have to safeguard the Nation's natural areas, water resources and cultural heritage, and to provide recreation opportunities to all Americans. Americans care deeply about our outdoor heritage, want to enjoy and protect it, and are willing to take collective responsibility to protect it for their children and grandchildren. Over its 50 year history, the Fund has protected conservation and recreation land in every State and supported tens of thousands of State and locally driven projects through grants to States.

Dollar for dollar, the Land and Water Conservation Fund (LWCF) is one of the most effective conservation programs we have. For every \$1.00 invested in Federal land acquisition through LWCF, there is a return of \$4.00 in economic value from natural resource goods and services, as published in *Return on the Investment from the Land and Water Conservation Fund*, 2010, a study conducted by the Trust for Public Land. LWCF frequently leverages significant funding match from States, cities and other partners. The Land and Water Conservation Fund also plays an important economic role for local communities. Recreation activities in national parks, wildlife refuges, forests, marine sanctuaries, and other federally managed lands and waters contributed approximately \$51 billion and 880,000 jobs to the U.S. economy in 2012, as published in the Federal Interagency Council on Recreation, *Fact Sheet on Outdoor Recreation: Jobs and Income*, 2014. Nationally, outdoor recreation activities contribute \$646 billion to the economy annually and support 6.1 million jobs, as published in *The Outdoor Recreation Economy*, 2012, by the Outdoor Industry Association.

The Department of the Interior LWCF programs work in cooperation with local communities, rely on willing sellers, and maximize opportunities to partner with private landowners on conservation easements where conservation and management objectives can be achieved without fee-simple acquisition. Proposed Federal land acquisition projects are developed with the support of local landowners, elected officials, and community groups.

Acquisition of inholdings does not generally require additional operating costs as no new staff or equipment are required to manage new lands within existing boundaries. Occasionally, agencies may incur up-front costs to remove existing improvements (fences, buildings, etc.) from an acquired property. By removing unwanted structures on newly acquired land, agencies avoid adding to ongoing operation and maintenance requirements.

In fact, acquisition of inholdings can greatly simplify land management for Federal managers and neighboring landowners. Eliminating checkerboard ownership within Federal units simplifies nearly every aspect of land management:

- Wildland fire managers can apply appropriate fuels reduction, planned burns, and fire suppression treatments more easily across an unfragmented landscape; fire management is more challenging and costly when private inholdings and developed properties are intermixed with federally managed forests and public lands.
- Law enforcement and public safety personnel can more easily patrol and respond to emergencies when public ownership is consolidated. An unfragmented unit allows unified signage, road networks, and other infrastructure that will best enable safe public access and allow for the efficient movement of emergency personnel and vehicles to locations frequented by visitors.
- Recreation managers can more easily provide access for the public to enjoy their public lands. In some cases checkerboard ownership can cause confusion among the public about acceptable land uses, and can restrict the public's ability to access some areas of public land.
- Natural resource management is simplified in an unfragmented landscape. When checkerboard ownership is eliminated, biologists, geologists and other natural resource professionals can move freely across the land that they are responsible for surveying, and natural resource management actions can be applied more efficiently across a landscape in single ownership.

An example of management efficiency gained through LWCF acquisition is the: St. Vincent National Wildlife Refuge (NWR). St. Vincent NWR is an island off the panhandle coast of Florida in Apalachicola Bay, off the Gulf of Mexico. Acquisition of a 5-acre tract on the mainland of Apalachicola Bay provides permanent deep water mooring with a launch site, secure parking and equipment storage. An important point is that dredging and channel maintenance are allowed in Apalachicola Bay, activities that are prohibited in other nearby areas. The lease at Indian Pass, the current deep water mooring and launch site, was ending and would not be renewed as the owners were looking to develop the mainland at the launch site. In addition, the upland portion of the leased Indian Pass site had been significantly reduced due to severe, continuing, and progressive erosion that the landowner failed to address.

As the refuge is only accessible by water, the new deep water mooring and launch site enables site management and reduces staff travel time from the refuge office to transfer supplies and heavy equipment. Daily boat access for St. Vincent NWR staff is required 24/7 for all island management activities, such as sea turtle nest monitoring and protection, habitat management, prescribed burning, hunting and fishing management and protection, and response to visitor emergencies.

WILDLAND FIRE BUDGET REFORMS

Question. I am very pleased to see that your budget request again proposes to pay for a portion of fire suppression funding with a new disaster cap adjustment. The disaster cap adjustment is the key to breaking the cycle of fire borrowing and putting an end once and for all to the need to steal funds from land management programs to pay for emergency firefighting needs. Many of the programs that we borrow funding from to fight fires are the same programs that create a more resilient landscape to resist wildfire. Can you talk about how important this proposal is to the administration's overall vision for reducing the threat of wildfires?

Answer. Fire is a normal occurrence that is beneficial to landscapes when managed properly, however, population growth near forests and rangelands, past management practices, and changing climate have dramatically increased fire risk and fire costs. For the past couple of decades we have budgeted for fire suppression using the rolling average of suppression costs of the prior 10 years. When those funds are insufficient, as is often the case, funding for real-time firefighting costs is provided by transfers and borrowing of funds from other fire management activities (e.g. fuels management) and other Forest Service and Department of the Interior programs and activities. This practice of transferring and borrowing funds has undermined Department of the Interior and Forest Service programs, including critically important forest and rangeland management and fire risk reduction activities. The cap adjustment proposal provides a mechanism to fund the extraordinary costs of approximately 1 percent of our wildland fires by providing an alternative to transferring and borrowing funds from other programs, including programs important to reducing future fire risk. This proposal treats extraordinary fires in the same way the Nation treats other natural, unpredictable disasters. The President's budget includes a wildfire suppression cap adjustment of \$200.0 million for the Department of the Interior for this purpose. These funds would only be available under those extraordinary instances.

The budget cap adjustment proposal is designed to improve the wildland fire management program's ability to adequately invest in preparedness, forest and rangeland health, and other fire risk-reduction work. The new funding approach would stabilize the fuels and prevention programs' ability to plan and execute treatments mitigating the costs of future wildfires. Under this approach diverting funds from these important programs to pay for wildfire costs would be eliminated.

WILDLIFE TRAFFICKING

Question. Secretary Jewell, the demand for ivory and rhino horns has skyrocketed. Congressional Research Service (CRS) reports that a rhino horn is worth more than \$50,000 per kilogram—more than even gold and platinum. The profit incentive is just staggering—so it's no surprise that terrorist networks such as al-Shabab and the Lord's Resistance Army are turning to poaching to support their operations. Can you tell us what the Department is doing to address the market demand that is fueling wildlife destruction AND financing terrorist organizations?

Answer. The Department, particularly through the Fish and Wildlife Service (FWS), is actively engaged in addressing poaching and wildlife trafficking throughout the entire trade chain. As identified in the recently released implementation plan for the National Strategy on Combating Wildlife Trafficking, we are undertaking activities supporting all three strategic priorities for the U.S. Government: strengthening enforcement, reducing demand for illegally traded wildlife, and expanding international cooperation and commitment. We are supporting on-the-ground protection of wild populations of elephants, rhinos and other species targeted by wildlife traffickers through grant programs that provide training and material support to rangers and other foreign enforcement officials. We are stationing special agents overseas, engaging in bilateral and multilateral wildlife trafficking investigations, supporting demand reduction efforts overseas, and working through the Convention on International Trade in Endangered Species (CITES) and other international agreements to build capacity to combat wildlife trafficking and hold countries accountable when they fail to live up to their commitments. Domestically, we are strengthening our ability to effectively regulate illegal trade in elephant ivory while also implementing a partnership-driven demand reduction campaign.

Question. The Fish and Wildlife Services has so far placed one special agent in Bangkok to help combat wildlife trafficking, and plans to place four more this year in Tanzania, Botswana, Peru, and Asia. The fiscal year 2016 request would place five more agents overseas. How will these agents help combat wildlife trafficking? What has been the experience in Bangkok? What is being done at embassies without special Fish and Wildlife staff?

Answer. The FWS agents are training African and Asian wildlife officers at the International Law Enforcement Academies in Botswana and Thailand, increasing the intelligence shared among law enforcement agencies with common missions, enhancing the targeting of illegal wildlife shipments, and utilizing wildlife detector dogs to support frontline wildlife inspectors and special agents.

The special agent stationed at the U.S. Embassy in Bangkok, Thailand, has been addressing wildlife trafficking issues throughout Southeast Asia. He has supported not only U.S. based investigations, but also provided expertise to other U.S. law enforcement agencies, a variety of foreign law enforcement agencies, and supported training efforts. Working closely with the Department of State, Bureau of International Narcotics and Law Enforcement Affairs, Bangkok, the special agent has briefed several other regional embassies on wildlife trafficking issues and is supporting local efforts.

The FWS anticipates that the deployment of additional special agents will expand enforcement capabilities to other regions by working with other embassies to combat illegal wildlife trafficking.

Question. The administration's National Strategy for Combating Wildlife Trafficking included nearly 200 specific tasks for the Fish and Wildlife Service and partners at the Departments of Justice, Commerce, Homeland Security, Agriculture, Treasury, and State. How will the administration track progress on this massive plan so that in the future, we can target resources to what has worked best?

Answer. As indicated in the recently released implementation plan, we will continually evaluate our progress, both by assessing the extent to which we are able to achieve the specific objectives identified in the National Strategy and by looking more broadly at the effectiveness of these objectives to advance our strategic priorities and the ultimate goal of ending wildlife trafficking. Robust and effective enforcement of wildlife trafficking laws at home and abroad, measurably reduced poaching and other trafficking in wildlife, and increases in wildlife populations will provide overarching measures of our efforts to combat wildlife trafficking. The Task Force agencies will meet regularly to assess progress toward these objectives, with the lead agencies responsible for ensuring that progress remains on track for each objective. The Task Force will prepare and make public progress assessments on an annual basis. These annual assessments should guide the allocation of resources to areas where we have made substantial progress and where resources can have the greatest impact.

QUESTIONS SUBMITTED BY SENATOR PATRICK J. LEAHY

Question. As I mentioned at the hearing I am concerned about maintaining economic incentives for private landowners to own and maintain forest habitat, which is essential to the northern long-eared bat, while we address the real cause of the problem, which is white-nose syndrome. I would like to know what support, financially or through technical assistance, your Department can provide at the Federal and State level for the inventory and monitoring of maternity colonies and hibernation sites, and to study the status and trends of these populations that we still know so little about?

Answer. Prior to the advent of white-nose syndrome (WNS), population information for bat species not federally listed under the Endangered Species Act (ESA) was generally only collected, if collected at all, as part of monitoring efforts for listed species. At this time, no standardized, rangewide monitoring program exists for North American bat species not federally listed, including the northern long-eared bat. The FWS, U.S. Geological Survey, National Park Service, U.S. Forest Service, and other partners, have been working to develop the North American Bat Monitoring Program, or NABat, which is an international interagency program designed to monitor bat distributions and abundances on public and private lands, and provide trend data at State, provincial, tribal, regional, and rangewide scales. The FWS has contributed over \$1.2 million to develop and implement this program, with additional contributions from other Federal and private partners.

Since WNS began afflicting bat populations but prior to the establishment of NABat, the Department has used several funding sources to provide financial and technical assistance for bat inventories, monitoring, and status assessments. These sources include agency base funds for species conservation and inventory and monitoring programs. The FWS also provides grants from programs, such as the State and Tribal Wildlife Grants, which can be used to support bat conservation. In addition, FWS has provided over \$4 million since 2011 in grants to State wildlife agencies for the WNS National Response, which includes inventory, monitoring, and technical assistance efforts to determine the population status and trends of bat spe-

cies. For example, in 2014 the FWS WNS program funded and provided technical assistance for a population monitoring project of an important bat hibernaculum near Dorset, Vermont.

Question. Does the Department have any resources available to support conservation measures on private or public lands that would reduce non-white-nose syndrome threats to surviving and still-unaffected populations to aid in the recovery of the species?

Answer. Federal agencies receive funds for species and habitat conservation, some of which have been directed to address non-WNS threats to the species. The FWS funding sources to support conservation measures on private and non-Federal lands include species conservation funding within the Resource Management account, Partners for Fish and Wildlife and Coastal program funding, Cooperative Endangered Species Conservation grants to States, and State and Tribal Wildlife Grants. Also, the FWS provides technical assistance to private landowners for planning and implementing conservation measures.

Question. I am pleased to see your budget requests to address wildlife trafficking, particularly the increase for law enforcement support for efforts on the ground in Africa and here in the U.S. to combat the growing threat from poaching. I hope this leads to better prosecution of the perpetrators of these horrendous crimes. Last February, the Fish & Wildlife Service released new prohibitions on the import, export, and sale of products containing ivory. While I am very supportive of the administration's work to combat illegal wildlife trafficking, I would not want to see the initial criticism of the prohibition threaten its viability in the long run and hamper your work to fight wildlife trafficking.

I would like to know if and when the Department expects to update the ivory import/export restrictions to address the concerns that have been raised about de minimis amounts of ivory and also concerns from those who might not be able to provide some of the documentation that the Department has required for family heirlooms and antiques?

Answer. We have made great strides to significantly restrict commercial trade in elephant ivory within the U.S. and across our borders—including a ban on all commercial ivory imports—making it harder for criminals to disguise the source of poached and trafficked ivory.

The FWS issued Director's Order 210 on February 25, 2014, which re-affirmed enforcement of the African Elephant Conservation Act moratorium and addressed how the FWS would enforce the Endangered Species Act (ESA) antiques provision. Following issuance of the Director's Order, the FWS met with a wide array of stakeholders, including individuals and groups representing antiques dealers, auction houses, musical instrument makers, museums, and orchestras. As a result of these constructive meetings, we revised the Director's Order to address several of their concerns, allowing a broader class of noncommercial items to be imported into the United States and clarifying how we intend to enforce the ESA antiques provision, while still maintaining our goal of ensuring the United States is not contributing to poaching of elephants and illegal trade in ivory.

We also improved our ability to protect elephants, rhinos, and other CITES-listed wildlife by publishing a final rule in June 2014, revising our CITES regulations, including "use after import" provisions that limit sale of CITES-listed wildlife within the United States. The result of this rule is that items, such as elephant ivory, imported for noncommercial purposes may not subsequently be sold within the United States.

We are currently working on a proposed rule, which will be made available for public comment, to revise the ESA special rule for the African elephant. This proposed rule will include proposed limitations on the interstate sale of African elephant ivory. As part of this rulemaking effort, we also intend to propose common-sense exceptions for activities and items that we do not believe are contributing to the ongoing poaching crisis.

Question. I was encouraged to see the news in late February that China is taking some steps to reign in its exploding ivory trade by placing a 1 year ban on carved ivory imports. However, I remain concerned that the Chinese are not doing nearly enough to address the high stockpile of ivory already in their country.

How are you encouraging other countries to reduce demand for ivory that is the driver of the skyrocketing poaching levels we are seeing in Africa?

Answer. We are working on several fronts to address the demand for ivory in other countries, including supporting non-governmental organizations who are working on demand reduction campaigns in China, Vietnam, and other key consumer countries through our species and regional grants programs, engaging in bilateral discussions with China and other countries about how we can work cooperatively

to address wildlife trafficking, and ensuring that these countries are following through on their CITES commitments.

For example, CITES requires several key consumer countries of particular concern with regard to illegal ivory trade, including China, Malaysia, the Philippines, Thailand, and Vietnam, to develop and implement National Ivory Action Plans (NIAPs). The United States played a key role in negotiating these mandates and serves, as the North American regional representative and as the Vice Chair, on the CITES Standing Committee, the body responsible for evaluating these NIAPs and their implementation. On March 19, the CITES Standing Committee recommended a suspension of trade with Lao People's Democratic Republic, Nigeria, and the Democratic Republic of Congo for failure to develop adequate NIAPs.

By lending support and ensuring that commitments are met, we believe that we are making substantial progress in several key consumer countries.

Question. What more do we need to do to increase/support prosecution of these wildlife trafficking cases in this country?

Answer. The 2016 President's budget sufficiently supports FWS efforts to prosecute wildlife trafficking, including a \$4 million increase for Law Enforcement (OLE) to combat wildlife trafficking. With this funding, the FWS will hire 25 new personnel to focus on daily detection, interdiction, and investigation, both domestically and abroad, of illegal commercial exploitation. The 2016 budget also requests another \$4 million increase to hire a class of 20 new special agents. Additional special agents are needed to address officer safety, efficiency of cases, and staffing shortfalls that affect OLE's ability to perform ongoing investigations. After training, the new agents will be deployed to the field for direct interdiction of illegal commercial exploitation by organized criminal elements.

Current violations for most wildlife trafficking laws carry only a maximum 1 year sentence and minimum fines. Additional tools are needed as a means of deterrence to combat global wildlife trafficking, including increasing the penalties for conducting illegal trade. Granting the Federal Government the authority to prosecute a criminal violation of the Endangered Species Act, the African Elephant Conservation Act, or the Rhinoceros and Tiger Conservation Act with more stringent fines and sentencing would further deter would-be poachers.

Question. The White River National Fish Hatchery (WRNFH) in Bethel, Vermont, is a fine Federal facility in very good physical and operational condition. The main mission of the WRNFH has sunset, however, with discontinuation of the Connecticut River Atlantic Salmon Restoration Program. I am aware that the Fish and Wildlife Service is exploring a repurposing of this facility, possibly to serve as a regional watershed conservation center for the upper Connecticut River and Long Island Sound. This makes great sense to me, as I am well aware of how well the Fish and Wildlife service does on partnership projects and of the significant conservation needs in the Connecticut basin. It would be a nationally unique and innovative project.

Will you support the Northeast Region of the Fish and Wildlife Service as they transition the White River National Fish Hatchery to an innovative valuable new Federal asset for the region?

Answer. Thank you for your interest in White River National Fish Hatchery (NFH). We sincerely appreciate your support during the years we worked to restore the facility after the damage from Hurricane Irene in 2011. As you recognize, the current state of the facility and infrastructure at White River NFH is excellent. The completed renovation has fully restored large-scale fish production capabilities.

As your inquiry points out, the facility's primary operational activity—restoration of Atlantic salmon in the Connecticut River—was discontinued several years ago.

The U.S. Fish and Wildlife Service staff in Vermont is exploring opportunities to ensure optimum public benefits accrue from this public investment. The FWS is looking forward to determining how to best use the White River NFH for hatchery production to support species recovery, restoration, and fisheries in New England, and is exploring areas where we share a common mission for activities in the Connecticut River watershed. We have initiated discussions with others whose facilities serve as potential models for addressing dynamic aquatic conservation needs and are investigating prospective partnerships where benefits can be derived from collaborative or co-located use of the assets and infrastructure at White River NFH.

Evolving conservation challenges require us to be adaptable and we support innovative solutions to meet our mission and address aquatic conservation goals. Our State, Federal, and other partners are vital to developing cohesive and complementary purposes for the National Fish Hatchery System and we value their input. Naturally, working with our partners is our top priority as we move forward. We will be talking more with you and other partners as we continue to explore opportunities at White River NFH. Thank you for your support and encouragement.

SUBCOMMITTEE RECESS

[Whereupon, at 11:53 a.m., Wednesday, March 4, the subcommittee was recessed, to reconvene subject to the call of the Chair.]